

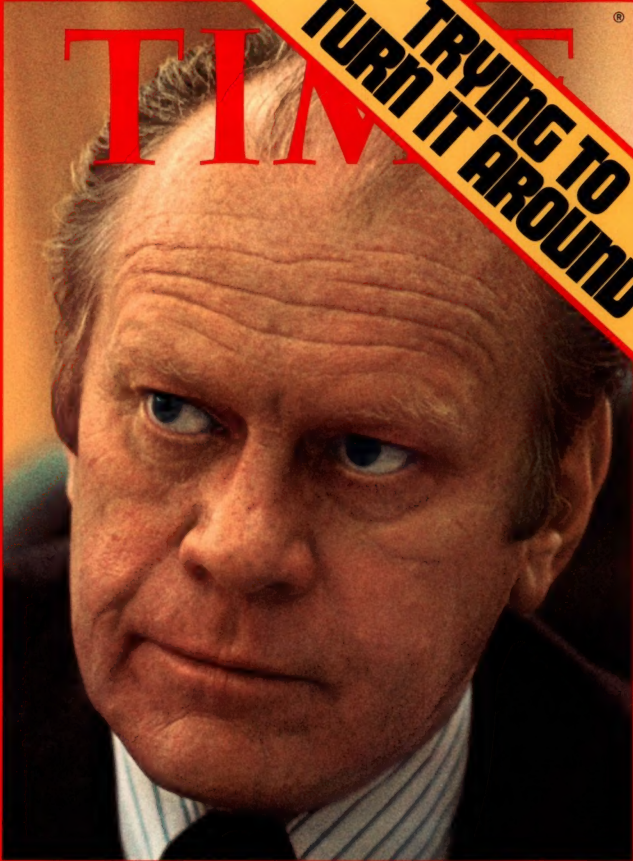
73 CENTS

JANUARY 20, 1975

®

TIME

TRYING TO
TURN IT AROUND



After going 212 m.p.h., he's
not about to smoke a boring
cigarette.



Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health.



Viceroy has full-bodied
flavor that doesn't flatten
out. Always rich...always
smooth...always exciting.
Get a taste of Viceroy.
Get a taste of excitement.

Viceroy. Where excitement is now a taste.

"Why can't the electric companies pay for their increased costs out of their own pockets?"

Electric companies have absorbed many rising costs of making and distributing electricity by finding ways to operate more efficiently.

But there's no way we can absorb all of these costs.

Fuel adjustment clauses help cover higher fuel costs but are not enough to offset the other skyrocketing costs of providing electricity.

Fuel is only one of the factors. Others are higher interest costs, higher building costs, higher labor costs — all unavoidable if we are to supply this country with all the electricity it needs.

Unlike many other businesses, every "price rise" for our service can only come with the approval of government regulatory authorities. We are not allowed to decide our own prices independently.

With virtually every cost of providing electricity going up, rates must go up, too.

We need your understanding of these economic facts of life we cannot change.



**The People at America's
Investor-Owned Electric Companies**

For names of sponsoring companies, write to Power Companies,
1345 Avenue of the Americas, New York, New York 10019



GART, ANGELO, TYPIST, GRUNWALD, FORD, SIDY, FISCHER (FACING PRESIDENT)

A LETTER FROM THE PUBLISHER

For every issue of TIME, our correspondents and reporter-researchers conduct scores of interviews. The results, carefully selected, appear in many stories as lengthy quotations or brief flashes of information, opinion and analysis. But at times we believe in presenting interviews at greater length, to convey not only information but the quality and style of a personality. This week's issue contains an unusual assortment of such interviews. Two of them are with the President and the Vice President. Visiting Gerald Ford in the Oval Office for a question-and-answer session last week were TIME's Managing Editor Henry Grunwald, Chief of Correspondents Murray Galt, Washington Bureau Chief Hugh Sides and Correspondents Bonnie Angelo and Dean Fischer. Sides and Angelo also caucused with Nelson Rockefeller to discuss his role in the Administration, while Fischer talked with White House Chief of Staff Donald Rumsfeld about the President's work style. When Judge John Sirica released key Watergate Witness John Dean from prison, the first interview he granted was with TIME's Hays Gorey.

As the 94th Congress prepared to convene in Washington and President Ford struggled with his State of the Union address, TIME worked on its own analysis of the situation. Our cover story, written by Associate Editor Edwin G. Warner, evaluates the President's performance to date, the shape of his forthcoming proposals, and Congress's resolve to offer its own economic program. The story is illustrated by a portfolio of photographs of Ford on the job, shot by TIME's Pulitzer-prizewinning Eddie Adams.

Besides the Nation stories, other sections survey various aspects of our economic malaise. Economy & Business reports on the sputtering auto industry; Behavior examines some secret desires to see recession slide into depression; while Press offers a critique of journalism's performance in reporting the "dismal science," economics.

Over the past few months some people have accused the press of exacerbating the nation's bearish mood. They argue that the public wants some basis for hope and faith. We agree. But we also believe that economic maladies, like others, require thorough examination and sound diagnosis as the first steps toward a cure. As Vice President Rockefeller put it: "Problems and opportunities go together... I have confidence that we are going to find the right answers."

Ralph P. Davidson

INDEX

Cover Story.....9	Economy.....67	Nation.....8
Color.....11	& Business.....67	People.....44
	Education.....54	Press.....62
Art.....75	Environment.....47	Science.....64
Behavior.....56	Forum.....46	Television.....53
Books.....71	Law.....61	Theater.....76
Cinema.....3	Milestones.....43	World.....33
	Music.....52	

The Cover: Photograph by Eddie Adams.

TIME is published weekly with one extra issue during May \$18.00 per year; by Time Inc., 541 N. Fairbanks Court, Chicago, Ill. 60611. Principal office: Rockefeller Center, New York, N.Y. 10020. James R. Shepley, President; Clifford J. Grant, Treasurer; Charles B. Rees, Secretary. Second class postage paid at Chicago, Ill., and at additional mailing offices. Vol. 105 No. 3 & 9, 1975 Time Inc. All rights reserved. Reproduction in whole or in part without written permission is prohibited.

TIME

Founders: BENTON MACKEY 1855-1929
HENRY R. LUCE 1898-1967

Editor-in-Chief: Hedy Dornan
Chairman of the Board: Andrew Haskill
President: James R. Shepley
Group Vice President, Magazines: Arthur W. Keylor
Vice Chairman: Roy E. Larsen

MANAGING EDITOR

Henry Anatole Grunwald

ASSISTANT MANAGING EDITORS

Murray J. Galt, Edward L. Jamieson, Richard M. Seamon

SENIOR EDITORS: Laurence L. Barrett, Ruth Brine, Ciel Bryant, George J. Church, Jennifer M. Duffy, John T. Flannery, John T. Gosciniak, Otto Friedrich, Martin Goldman, Leon Joroff, Ronald P. Kriss, Marshall Loeb, Jason McManus, Donald Nall

Diplomatic Editor: Jerald L. Schecter International Editor: R. Edward Jackson European Editor: Jesse L. Birnbaum

ART DIRECTOR: David Merrill

SENIOR WRITERS: Michael Demarest, Robert Hughes, T.E. Kalem, Stefan Kanfer, Ed Magnusson, Lance Morrow

ASSOCIATE EDITORS: James Ahlstrom, William Berke, Gilbert Carr, Gerald Clarke, Jay Cocks, Spencer Davidson, William R. Doerner, Jose M. Ferrer, Jr., Frederic Gold, James Grant, Philip Herring, Geoffrey James, Timothy M. James, Frank B. Merrick, Hugo Miller, Mary McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

CONTRIBUTORS: A.L. Baker, Thomas Griffith, Melvin Maddocks, Richard M. Marston, John Skoy

REPORTER-RESEARCHERS: Marylou Purdy Vega (Chief), Leah Shanks Gordon (Deputy)

Department Heads: Maria Luisa Cisneros (Letters), Rosalind Halverson, Gordon Haystead, Ursula Nodding de Galar, Rosita Silverman, Nancy L. Williams Senior Staff: Susan Alcock, Priscilla B. Badger, Audrey Ball, Patricia Becker, Ben Berard, Peggy L. Berzon, Nancy McElroy, Anne Constable, Maria N. Goldman, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, R.Z. Sheppard, William E. Smith, Peter Stoler, David B. Tinnin, Edwin C. Warner

STAFF WRITERS: Richard Bernstein, Patricia Blake, Andrew Chambers, John S. DeMott, Joan Downs, Judy Fayard, Neil D. Gluskin, Robert L. Goldstein, Paul Gray, Marguerite Johnson, Jack Kramer, John Leo, Gina Moller, Donald M. Maran, George Russell, Stuart Scheffman, LeAnne Schreiber, Philip Taubman, Mark Vashnick, Ivan Webster, Roger Walmsley

1975 Datsun. 3 Models at 39 MPG.

Other auto makers would be ecstatic if they could claim one model with mileage like that. We have three: The B-210 Hatchback, 2- and 4- Door Sedans.

In the U.S. Environmental Protection Agency tests of 1975 cars sold in the U.S., our B-210 got 39 miles per gallon on the highway, 27 in town. In today's economy, that's the kind of economy you need.

But the fantastic mileage is just one

Datsun virtue. Good old-fashioned value is another. Every B-210 comes with these features included in its base price: 1400cc engine, power-assist front disc brakes, reclining bucket seats, carpeting, tinted glass, electric rear window defogger, trip odometer, whitewalls, full wheel covers and much more.

Datsun B-210. Drive one today, and see for yourself how much Datsun Saves!



**Datsun
Saves**

"THE BEST NEWS FOR THE HOLIDAY SEASON!"

—Judith Crist, New York Magazine



"THE 'MY FAIR LADY' DUO HAS NOT LOST ITS TOUCH. AND THE BEAUTY OF THE WORK IS THAT YOU DON'T HAVE TO TAKE A CHILD WITH YOU TO ENJOY IT—PROVIDED, OF COURSE, THAT YOU WERE ONCE A CHILD YOURSELF!"

—Judith Crist, New York Magazine

"A LITHE, JOYFUL, POIGNANT MUSICAL AND NOT JUST FOR KIDS! SMART, FUNNY AND PIQUANT!"

—Jay Cocks, Time Magazine

"IRREPRESSIBLE JOY! 'THE LITTLE PRINCE' EXUDES CHARM, JOY, LOVE, WISTFULNESS, SWEETNESS FROM EVERY FRAME, AND I THINK IT'S ABOUT TIME SOMETHING DID DO THAT FOR US!"

—Liz Smith, Cosmopolitan

"THE SCORE OF 'THE LITTLE PRINCE' IS A SHEER DELIGHT!"

—Vincent Canby, New York Times

"AN INEFFABLY TENDER AND ENCHANTING FILM! YOU'LL BE UNASHAMEDLY CHARMED BY THE SIMPLICITY AND TRUTH OF 'THE LITTLE PRINCE'!"

—Norma McLain Stoop, After Dark

Paramount Pictures Presents
A STANLEY DONEN FILM OF
LERNER AND LOEWE'S

THE LITTLE PRINCE

Richard Kiley ^{as the Pilot} Bob Fosse ^{as the Snake} Steven Warner ^{as the Little Prince} and Gene Wilder ^{as the Fox}
Produced and Directed by STANLEY DONEN Associate Producer — A. Joseph Tander
Screenplay and Lyrics by ALAN JAY LERNER Music by FREDERICK LOEWE



Based on the story
"THE LITTLE PRINCE" by Antoine de Saint-Exupéry

Technicolor

SOUNDTRACK ALBUM AVAILABLE ON ABC RECORDS



NOW AT CHICAGO METROPOLITAN THEATRES!

CINEMA

Soft-Core Sadism

FREEBIE AND THE BEAN

Directed by RICHARD RUSH

Screenplay by ROBERT KAUFMAN

Freebie (James Caan) is a cop whose corruption is supposed to be charming. If, for example, a witness he is guarding enters a fancy clothing store, he will spot a few fire-ordinance violations and trade silence for a new jacket. The Bean (Alan Arkin) is Freebie's partner, an excitable Chicano who frets about Freebie's hustles and reckless driving habits. He also worries, in a supposedly comic manner, that his wife Consuelo (Valerie Harper) may be cuckolding him



CAAN & ARKIN IN FREEBIE

Reckless driving.

during the many overtime hours he devotes ineptly, if eagerly, to duty.

Even so brief a summary of this film indicates that its makers have got their bets down on everything that is currently going in the movies: cops v. crooks in one crazy car chase after another, two males who have so darn much fun kidding around with each other that their women are seen only as encumbrances or conveniences, and plenty of ethnic joking. All of this could be seen as fairly routine commercialism were there not a persistent and nasty strain of sadism. Some of it is soft core (a threat of defenestration here, a hint of female bondage there). But some is as ugly as anything one is likely to see. Between funnies, for example, the cheery heroes cold-bloodedly empty their revolvers into gangsters they corner in a men's room.

Caan and Arkin are actors of skill



The Everything Pocket.

It's packed with everything you need to take big, sharp pictures.

A superb 4-element f/2.7 Ektar lens, for example. Automatic exposure control, and automatic "low-light" and "used bulb" signals in the viewfinder. Even a precision-coupled rangefinder to take the guesswork out of focusing.

The name of this peerless Pocket? The Kodak pocket Instamatic 60 camera. Less than \$138. A black-chrome version is available in a special deluxe outfit for less than \$156. See them at your photo dealer's.

Prices subject to change without notice.



Kodak pocket Instamatic® 60 camera.

United States Steel reports on one productive solution to

Productivity: **It's a rapid** **transit system** **that really** **works.**

Imagine a commuter rail line so dependable, so fast, so convenient, so clean, so pleasant, so economical—that it has attracted thousands of riders who used to travel by automobile.

There is such a system. It's the Lindenwold Line, running 14½ miles from Philadelphia, Pennsylvania, to suburban New Jersey. Opened in early 1969 by the Delaware River Port Authority, it's operated by the Port Authority Transit Corporation, PATCO.

Because the PATCO operation is unusually productive, we at U.S. Steel wanted you to know about it. We believe higher productivity is crucial to a healthy future for our country.

The Lindenwold Line has, in fact,



urban transportation problems.



Train operation and power supply are monitored and controlled from a central point. And all stations are constantly scanned via TV.

been so successful that plans to expand it are being considered. Since 1972, fares have more than covered all operating expenses.

Every day it keeps nearly 10,000 cars

LINDENWOLD



off roads into the city, saving an estimated one million gallons of gasoline a year.

The line is automated, but not too much. After being started by a push button, the sleek, stainless steel cars run at proper speeds (up to 75 MPH) then stop smoothly at each station—all automatically. Even fare collection is by machine, making personnel in the stations unnecessary. However, any passenger with a problem can use a handy phone to speak to someone at headquarters.

The 75 climate-controlled cars are clean and comfortable. At rush hours, there's a train every two minutes.

Only 267 employees move more than 40,000 people daily, proving that mass transportation *can* be highly productive.

And can cut road traffic significantly.

U.S. Steel admires this highly productive operation. We're always trying to make our own operation more productive.



Cars are meticulously maintained, regularly overhauled and scrubbed down frequently.

Example: Our USS Chemicals Plant at Neville Island, Pa. The industrial chemicals made there are in great demand. So plant personnel along with a team of specialists from our Research Center, analyzed this entire plant. Using sophisticated computer techniques plus some creative thinking they boosted plant output to 130% of its original rated capacity.

Productivity. America needs all it can get.

United States Steel, 600 Grant Street, Pittsburgh, Pa. 15230.



**We're
involved.**

Lips too sore for a stick?

Use soothing Blistex ointment. It smooths on, easily, doesn't irritate. Yet it's real medicine. Gentle but effective for quick relief. Used early and often it aids in preventing unsightly cold sores and fever blisters. Try it. Soothing, cooling Blistex.



THE QANTAS SOUTH PACIFIC.

"I'll be up to my armpits in tourists. All because of Qantas."

From the West Coast, it goes for as low as \$872* for our 10-day Fly/Drive Australia tour.

And goes all the way up to \$3303 for the luxury of the 35-day South Seas Spectacular.

In between, we've got tours to Australia, tours to New Zealand, all kinds of tours all over the South Pacific.



We've also got the most 747's on the Australian run—twice as many as anybody else.

See your travel agent for information and reservations, or call: (800) 227-4500. In California: (800) 622-0850.

South Pacific tour brochures? Mail to: Qantas, 360 Post Street, San Francisco, CA 94108.

Name _____ Street _____

City _____ State _____ Zip _____

Travel Agent: _____

See your Travel Agent

QANTAS
The Australian Airline.

T15

Prices subject to change and Gov't approval. *Based on GIT fare, min. 10 people—we form group.

CINEMA

and style, and they are able to cover the basic bad taste of this mess for a while. Director Rush has a gift for staging imaginative action sequences (one of his car chases ends in a third-floor apartment). Somehow, though, these flashes of professionalism only deepen the dismay over *Freebie and the Bean*. They really ought to find something better to do with themselves. So should potential customers. **Richard Schickel**

Old Debil Moon

ABBY

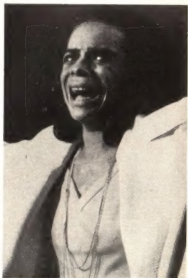
Directed by WILLIAM GIRDLER

Screenplay by G. CORNELL LAYNE

See if this sounds familiar: a cleric (William Marshall) doing some archaeological research in a distant land unleashes the spirit of an ancient demon. Back home across the sea, his sweet, pretty daughter-in-law (Carol Speed) starts acting up. Her sexual passion is unquenchable. Her vocabulary becomes raunchy, and her voice turns coarse to match. She knocks her husband around, makes the windows shake and the furniture jump and is even responsible for a death or two. Medical science cannot fathom her symptoms. Is she crazy? Or is her trouble—as someone ominously and predictably puts it—"something else"? Only her cleric knows for sure.

Abby is a scurvy little number, but it is worth a quick sociological footnote. When *The Exorcist* was pulling down so much money last year, black audiences seemed to account for an inordinate share of the grosses. Whether or not the statistics were accurate, what matters is that at least one producer believed them. So *Abby* was born—black.

The budget of this movie would appear to be approximately half the price of a ticket. No matter, because audienc-



CAROL SPEED IN *ABBY*

Frail shocks.

In a Continental mood? American Express can match it.



Jacques
900 North Michigan Ave.
Superb dining in a garden of delights. Dine around the famous fountain. Executives voted Jacques one of the top 100 restaurants in the nation.



Kinzie Steak House
33 West Kinzie. Select the size and cut of the prime beef you want at Kinzie's "butcher shop." Eat at authentic butcher block tables. Entertainment and cocktails at the piano bar.



Tale of the Whale
900 North Michigan Ave.
Choose your own lobster or trout from a tank, and create your own salad at the "salad barge." There's a whale of a seafood menu in this restaurant.



Café de Paris
1260 North Dearborn Parkway. "Chicago's top French restaurant" *Tribune*. Gourmet dining and a Continental French menu. Try this *Holiday* Award winner.



Biggs
1150 North Dearborn Parkway. Chosen by the *Chicago Guide* as one of Chicago's favorite restaurants. Elegant 19th-century atmosphere in a lovely Victorian mansion.



Sea Gull
400 East Randolph Street. Stuffed trout with crab meat is one of the specialties at this attractive restaurant. Honored by *Holiday Magazine* and *Chicago Guides*.



Lafites Steak and Lobster
3445 Dempster Street, Skokie. A delightful restaurant specializing in steak, duck, lamb, and lobster. Fine cuisine in a casually charming atmosphere. Superb seafood.



L'Epuisette
21 West Goethe Street. A favorite of noted restaurant reviewers. L'Epuisette offers delicacies from the sea, excellent services and a relaxed, intimate atmosphere.



When it's time to pay the bill use the American Express Card. It's gladly accepted, at every one of these fine restaurants.

AMERICAN EXPRESS
© American Express Company, 1974

**Excessive
spending
will not lick
inflation.
Thrift will.**



Your Key to Happier Living

FAIRFIELD SAVINGS

1601 Milwaukee Ave. • Chicago, Illinois 60647 • Telephone HUmboldt 9-4800

MEMBER FDIC

es whoop it up at all the synthetic terror and threadbare mumbo jumbo. There are many moments of low comedy, all inadvertent, as when Abby beats up on her husband, croaking "You are gonna love and obey!" as she pummels him. The rampant foolishness, indeed, may be part of the point. Audiences know that *Abby's* appeal is way low-down and prefer to chide themselves for enjoying it. As much as they may laugh, though, audiences could never put themselves down as hard as these film makers have.

• Joy Cocks

Stray Notes

JOURNEY THROUGH THE PAST

Directed by NEIL YOUNG

*I'm deep inside myself
But I'll get out somehow*
Motion pictures, motion pictures...

The trouble with this tongue-tied autobiographical speculation is that contrary to the words of his song, Neil Young stays resolutely on top—on the surface, in fact. An esteemed singer-songwriter and sometimes part of the supergroup Crosby, Stills, Nash & Young, he is working under a handicap in his first movie. Young conceived the film himself, directed it and cut it, all with the same impenetrable seriousness that characterizes much of his music. It is easier to get away with recording your dreams and your fantasies on vinyl than on film. Songs are shorter, and a good melody can often get you safely across a lyric crag.

Stillborn Parables. Neil Young, on all the evidence, did not think much about any of this. Though the film has a reckless naïveté that is intermittently charming, it is mostly an indulgence.

Journey Through the Past contains much documentary footage—of Young on tour, performing with Crosby, Stills and Nash and the Buffalo Springfield—intercut with stillborn fictional parables about a scholar who tromps through picturesque locations, searching for himself, or perhaps just for a guitar. There are intellectual asides (Stephen Stills ruminates that "some day words, and the reassurance of words, won't be necessary—soon"), social speculations (a discussion of concert ticket prices segues into a rendition of *Find the Cost of Freedom*), and heavy images (a needle stashed inside a Bible) of terror and salvation. There is also an occasional felicity: a scene of black, hooded figures carrying wooden crosses, riding hard down a lonely beach, has power and mystery.

Journey Through the Past has been playing, sparsely, since last fall, although the original-sound-track album came out more than two years ago. Those hooded horsemen can be seen on the front cover of the record, a location that is probably more congenial for all concerned.

• J.C.

Iceberg 100's



P.S. If you like the ski cap and muffler shown above, we'll be glad to send you a set for only \$2.95, plus two Iceberg 100's closure seals. Just mail check or money order to: Iceberg 100's Offer, P.O. Box 7160, Westbury, N.Y. 11592. Offer expires June 30, 1975. Void to persons under 21 years of age. Void where prohibited, licensed or taxed. Please allow up to 6 weeks for delivery.

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

8 mg. "tar," 0.6 mg. nicotine
av. per cigarette, FTC Report Oct. 74



UNEMPLOYED & LOW-INCOME RESIDENTS OF TENNESSEE WAITING IN LINE FOR FOOD STAMPS IN NASHVILLE

THE WEEKLY NEWSWEEK

Jan. 20, 1975 Vol. 105, No. 3

TIME

THE NATION

AMERICAN NOTES

Founding Fathers Abroad

Two celebrated Americans were at home abroad last week, just as they had been two centuries before. An exhibition commemorating Benjamin Franklin and Thomas Jefferson opened in Paris, where both men had served their young nation so well and had grown to admire their hosts. "A most amiable nation to live with" was the way Franklin described the French; and Jefferson wrote that they "love us more, I think, than they do any nation on earth."

While that love has cooled somewhat, the exhibition, sponsored by the American Revolution Bicentennial Administration, is appropriate. Without the help of the French, the Colonies might never have won the Revolution, and without the skillful persuasion of Franklin, who went to Paris as ambassador in 1776, the French might never have entered the war. The ties between France and the U.S. were further strengthened by Jefferson, who succeeded Franklin in 1785 and stayed until 1789.

The display covers the times and lives of the two Americans from the birth of Franklin in 1706 until Jefferson's death on July 4, 1826—precisely 50 years after he signed the Declaration of Independence. The exhibition features photographs, paintings, documents and artifacts, including a hulking 3,500-lb. stuffed buffalo—a symbol of the vast, unmapped Western territory that Jefferson bought in the Louisiana Purchase after becoming President. Following

trips to Warsaw and London, the show, which is being underwritten by IBM, will come to the U.S. in March 1976.

In the light of the Bicentennial, the eager reception that the French are giving to Franklin and Jefferson is heartwarming for Americans. Whatever an American is, however difficult to define, the national character surely has been shaped by Franklin's broad humanism and Jefferson's clear idealism.

The Taxpayer Giveth . . .

A retired wholesale grocer in Fayetteville, N.C., named Guy Madison Brock, 73, wrote out a check for \$1,000 as his contribution toward paying off the national debt, which is now \$493 billion. "I'm not a crackpot," Brock declared. "I just wanted to do something for my country."

Brock is not the only American who has taken it upon himself over the years to do what he could to ease the nation's financial burdens. A dozen or so unsolicited contributions are received annually by the Treasury Department from individuals or their estates. In the 1960s, an 83-year-old spinster in Huntsville, Texas, left some valuable cotton and cattle land to the Government. The land has been sold, and the money is being paid in installments ranging from \$11,200 to \$124,365. For the past six years, one man has been sending in checks for what he calculates is his fair share of the debt: they average about \$75. A man in Seattle makes a gift every year that matches his age. His birthday is Feb. 11, and next month the Treas-

ury is looking forward to receiving a donation of \$78.

In the last fiscal year, all of the contributions to pay off the national debt added up to \$417,933.25. Says Treasury Official James Spahr: "We're very appreciative, and we always write a personal letter of thanks."

. . . And Taketh Away

While a few Americans were making donations to the U.S. Government, the citizens of Willimantic, Conn., were doing their best to keep their money out of the hands of local officials. When one town official predicted that the property tax rate would be going up again, after a 50% jump since 1968, fed-up and frustrated residents jammed into the town meeting to vote no.

After two versions of his budget were rejected, Mayor David J. Calchera, 30, had to find a way of borrowing money to keep his government from shutting down. This week the mayor will submit a new budget that is \$140,000 below last year's, a 6% cut. "If we go much lower," said he, "this city won't be worth living in."

Willimantic's citizens who bit the hand they had been feeding for so long realize that inevitably, they will end up paying taxes. Still, they feel that the fuss has been worthwhile. "Like throwing tea into the harbor," says one New England mother of three, "we know it's just been a symbolic act. But it has raised our spirits and stopped our taxes from rising, and nowadays those are two pretty important victories."

The Economy: Trying to Turn It Around

For Gerald Ford, the presidency has been a learning process, and he is a slow and methodical study. It was not a goal and destiny he pursued and prepared for. The office was thrust upon him, and he has attempted, haltingly at times, manfully always, to cope. On Wednesday in his State of the Union message, Ford was to present in its entirety his most ambitious endeavor to date: a new, sweeping economic and energy program designed to combat the recession without igniting further inflation and to conserve fuel in the bargain. Though there might be some last-minute changes in detail, it combines a \$15 billion tax cut to stimulate the economy with a series of tariffs and measures intended to boost the cost of using crude oil, thus discouraging imports and ultimately the use of petroleum.

Given the complexities and uncertainties of the U.S. condition, the program may go too far in some directions and not far enough in others. There are no proven remedies for the plight of the economy. Ford failed in his first efforts last fall, and has been forced to retreat from the positions and programs he espoused then; he could be wrong again, and, in any case, it is not yet clear that all of his measures will pull in the same direction.

Nonetheless, the new program bears the mark of concentrated study and serious intent—as well as divided opinion among advisers. It is a welcome effort to face the economic and energy crisis and try to turn it around. It may well be a sign that Jerry Ford is beginning to get the hang of leadership in a post that perpetually calls for it, seldom with such urgency as now.

Why Action Was Required

In part, at least, events forced leadership upon him. The depressing economic statistics continue to accumulate. According to the Department of Commerce, the nation's output of goods and services declined by an estimated 7½% in the last quarter of 1974, the biggest annual drop since World War II. The battered auto industry disclosed that new car sales in December skidded 26% below a year ago; for 1974, they were down a punishing 23%. Unemployment has reached 7.1% and threatens to exceed 8% before the recession bottoms out—the highest jobless rate since 1961. This week, for one week, the Ford Motor Co. will close 22 of its plants, idling 85,000 workers. In response to the worsening economic news, the Louis Harris Poll indicates that 86% of the public thinks the President is mishandling the economy.

No one could have sounded a bleaker note than Alan Greenspan, chairman

of the Council of Economic Advisers, when he testified before the Joint Economic Committee last week. "The outlook for 1975 is neither pleasant nor reassuring to those who hope for a sudden correction of our problems," he said. He did not foresee an upturn until the third quarter, if then, unless there is a major change in policies. "Although we had expected some weakening, what we are now experiencing has come upon us much more suddenly than we generally realized."

The economic crisis galvanized the congressional Democrats, already heady with their success in last fall's election, in which they picked up 43 new seats in the House. Apparently more tightly organized than they have been in decades, they had prepared a program that was to be introduced this week, when the 94th Congress convenes. They are already acting much like a shadow government. Top Democratic leaders met last week with business and labor representatives in the office of Robert Strauss, chairman of the Democratic National Committee. Among those attending: Henry Ford II, Alcoa Director John D. Harper, Chrysler Chairman Lynn Townsend and U.A.W. President Leonard Woodcock. The group quickly reached a consensus that the economy should be immediately and massively stimulated.

Later in the week, House Speaker

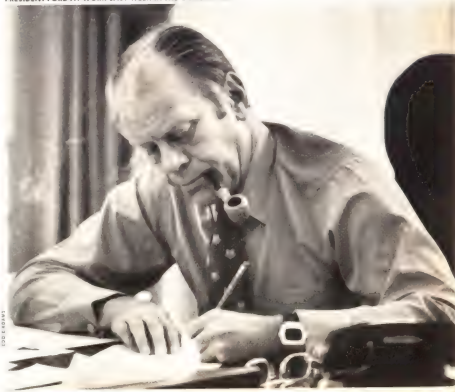
Carl Albert was invited to lunch at the White House with his old friend and onetime fellow Congressman. He discussed with the President the fact that the Democrats would propose their own solution to the nation's economic ills. With the Democrats threatening to seize the initiative on national policy, Ford advanced his own timetable to Jan. 15. He had originally planned his State of the Union message for Jan. 20.

The Economic Plan

By embracing a tax cut in his new program, Ford is doing something of an about-face; only last October he refused to label the economic downturn a recession and urged a 5% surcharge in additional taxes to fight inflation. Last month he denied that he would make a 180-degree turn in his policy. Last week White House Press Secretary Ron Nessen admitted, only half facetiously, that the turnaround could be 179 degrees. Still, Ford may not be going far enough—a case of too little too late.

Many economists now feel that it will take more than \$15 billion in fast fiscal stimulus to bring the nation out of recession. Last week the prestigious, moderately conservative Committee for Economic Development weighed in with a ringing endorsement of a much larger tax cut. In a speech in New York City, Philip M. Klutznick, chairman of C.E.D.'s program committee, estimated

PRESIDENT FORD AT WORK LAST WEEK IN THE OVAL OFFICE



THE NATION

that more than \$25 billion is needed to stimulate recovery. The \$11.5 billion tax cut of 1964, which serves as a yardstick because it produced a successful recovery, would be the equivalent of \$26 billion in today's inflated economy.

Some top Administration officials have an opposite worry. Greenspan, Treasury Secretary William Simon and Arthur Burns, chairman of the Federal Reserve Board, are unhappy about the burgeoning federal deficit that will result from a tax cut: a projected \$35 billion in fiscal 1975. If the Treasury is once again forced to borrow heavily to pay Government bills, a credit crunch could develop when corporate financial needs cannot be met. Should the Federal Reserve significantly add to the supply of money and credit, inflation would be gipped upward anew.

The Administration plans to make

tion, the minimum standard deduction, and the low-income allowance. Ford discussed the personal income tax refund last week with Al Ullman, chairman of the House Ways and Means Committee. At the end of the session, Ullman was not necessarily buying the exact form of the President's proposal, but he pledged to cooperate on some kind of quick tax relief.

Taking a more alarmist view of the recession, the Democrats are offering a much broader program than Ford's, and seem confident of passing it, even over a presidential veto. Disparaging "halfway measures, timid initiatives or public appeals to voluntarism," they have set up a ten-man task force in the House, directed by Speaker Albert, that will propose at least a \$20 billion tax cut for lower- and middle-income families. They are also recommending a larger

reacted. Administration spokesmen variously described the forthcoming program as "hard-nosed" or "hawkish," though some might argue whether rationing would not be the more hawkish of policies. Said one White House aide: "Philosophically, it is cast in terms of crisis." Ford was ready to take an uncompromising market approach, preferring to cut consumption by prodding up prices than by using restrictive import quotas or rationing allocations.

The boost proposed by the Administration was twofold: tariffs and new taxes on oil and natural gas, on the one hand, and removal of price controls on the other. In \$1 stages over three quarters beginning March 1, Ford planned to put a \$3-per-bbl. tariff on imported oil—a move he can make on his own initiative under a provision of the Trade Expansion Act of 1962. He would also



SPEAKER ALBERT MEETS WITH FORD

For the Democrats, a ten-man task force in the House to disparage halfway measures, timid initiatives or voluntarism.



CHAIRMAN ULLMAN & AIDE WITH PRESIDENT

the most of its tax reductions for individuals by putting money into consumers' pockets almost immediately in the form of rebates of 10% on 1974 personal income tax payments—in effect, a retroactive tax cut. The hope is that consumers would treat this as a windfall and go on a shopping spree for cars, color-TV sets and other durable goods. It would also, as the President pointed out in an interview with *TIME* (see page 20), provide money for those unemployed this year who last year had jobs and paid taxes.

The Administration was also considering a lower corporate income tax rate as well as a boost in the investment tax credit from 7% to as much as 12%—an increase that is favored even by the leaders of organized labor, who are becoming concerned over the growing capital squeeze. Also under study is a modest rise in the \$750 personal exemp-

minimum tax, with no loopholes to escape paying it, on corporations and wealthy individuals and a variety of excess profits taxes. They urge an expanded public works program and public service jobs; they want a system of allocating credits and subsidies to such needy and productive areas as housing, small business and food production. The Democratic program will doubtless be heartily endorsed when the national union chiefs meet at a summit in Washington on Jan. 23 to hammer out their own economic program.

The Energy Plan

The new White House energy program seemed to be a more exact expression of the presidential viewpoint and leadership than Ford's economic proposals. Stung by charges of being too weak in facing up to a longstanding crisis, the White House, if anything, over-

ask Congress to impose a \$3-per-bbl. excise tax on domestic crude oil and a tax of 40¢ per 1,000 cu. ft. on natural gas. These actions are expected to reduce consumption by as much as 1.5 million bbl. per day and encourage development of domestic sources. To take the windfall out of oil company profits and return money to consumers who are paying higher prices, Ford was set to ask for an excess profits tax on decontrolled oil and natural gas and possibly the removal of the oil depletion allowance. Also planned: a request for standby authority to ration gasoline.

Hints of this prospective energy package caused dismay in Congress. Under intense pressure from constituents to do something about inflation, legislators are hardly in a mood to send the price of oil skyrocketing, with a consequent leap in the consumer price index. A Senate staffer involved in en-



Ford stroking golden retriever Liberty in the Oval Office.



With a Truman bust in the background, Ford and Rockefeller confer.



Secretary of State Henry Kissinger making a point to Ford and Senate Majority Leader Mike Mansfield.



Ford, flanked by Kissinger and Secretary of Defense James Schlesinger, at last week's Cabinet meeting.



Betty Ford helping the President move into his new White House hideaway next door to the Oval Office.



The Fords with daughter Susan upstairs in the White House



ergy policy claims that Ford is submitting "an unworkable program that can't be enacted." The Administration, he feels, is "out of touch with reality on the Hill."

New Englanders are angriest of all, since their region is most dependent on imported oil and would be hardest hit by the Ford tariff. Last week the New England caucus released a letter challenging Ford's right to act under the 1962 trade act without public hearings. "No matter what the Congress does," says a New England lobbyist on Capitol Hill, "the tariff makes it Ford's program. He'll be blamed for the consequences. It'll be like Lyndon Johnson's war."

What the Democrats Want

In their energy program, the Democrats offer more dramatic alternatives: mandatory petroleum allocations, higher gasoline taxes with rebates in hardship cases, steeper excise taxes on pleasure crafts and high-horsepower automobiles, gasoline and home-fuel rationing. The Democrats also propose establishing a new, independent agency to replace the Council on Wage and Price Stability. The agency would be empowered to issue subpoenas, hold extensive hearings, delay price increases and in selective cases impose controls.

The other longer-range provisions that may be included in Ford's energy package are less controversial and not likely to run into too much opposition in Congress. Some of the proposals:

- A national thermal efficiency standard will be set for all new residential and commercial structures. If builders or home buyers seek any kind of federal financing, they will have to install standard insulation, weather stripping, storm windows and doors and caulking. Potential savings in oil consumption by 1977: about 120,000 bbl. a day. By 1985: 2.3 million bbl. a day.

- Conservation in existing structures will be encouraged by a probable 15% tax credit on home investments in insulation up to \$1,000, meaning a maximum homeowner receipt of \$150. Savings by 1977: 77,000 bbl. a day. By 1985: 200,000 bbl.

- Mileage standards for new automobiles will be gradually increased until they reach the required minimum of an average 20 m.p.g. on the range of autos that a manufacturer offers the public in 1980. The Administration will not ask for mandatory legislation, since automotive executives agreed to meet the goal at a recent meeting in Washington. If they fail to comply, however, the White House is expected to ask Congress to enact a law requiring the minimum mileage. In return for their cooperation, the Administration will ask Congress to grant the auto companies an extension of the deadline, from 1977 to 1981, for further purification of exhaust emissions—perhaps an overgenerous amendment to the Clean Air Act. But the compa-

THE NATION

nies argue that they cannot improve mileage without a relaxation of emission standards. Savings by 1977: 114,000 bbl. a day. By 1985: 1.2 million bbl.

► Efficiency standards for appliances will be encouraged by the National Bureau of Standards. 1977 savings 22,000 bbl. a day. 1985: 286,000 bbl.

► Federal oil reserves will be tapped to increase the U.S. strategic reserve. Elk Hills, one of seven naval petroleum reserves, will be brought up to full production now that the opposition of the House Armed Services Committee has been overcome. As much as 360,000 bbl. a day will eventually be pumped to create reserves against another oil emergency.

► An easing of restrictions on utilities coal burning will be sought—another modification of the Clean Air Act. The White House wants to postpone installation of scrubbers—smoke-filtering devices—on stacks. The Environmental Protection Agency and the Council on Environmental Quality have accepted a delay in the scrubber deadlines, set unrealistically for 1977 anyway.

The False Start

Ford is given considerable credit by economists for sharpening his skills during the months he has been in office, even though circumstances have forced an abrupt shift in his policies. He declared inflation public enemy No. 1, as indeed it was at the time he became President. But willing to listen and anxious to build a consensus behind any policy, he turned to others for advice. In retrospect, his celebrated summit conferences probably inspired more fear among consumers than new policies among experts. Though some economists warned that the recession was going to bite harder than Ford thought, none of them predicted the precipitous decline the economy would take before the year was out. In the fall, the President was tilting too far in his fight against inflation, but there was scant solid guidance to set him straight.

The economic summit produced a policy mouse. What Ford offered in his economic message in October was pretty much more of the same from the Nixon years: a federal budget with spending held at \$360 billion and a tight-fisted monetary policy that would keep the economy producing goods and services far below its potential until some time late in 1976 and perhaps longer. It was a threadbare standard with which to rally a people to change the habits of a lifetime. The only sacrifice requested was as quickly rejected. Ford asked for a 5% surcharge on corporate income taxes and upper-level personal income taxes. Neither Democrats nor Repub-

licans showed any interest. Representative Herman Schneebeli, ranking Republican on the House Ways and Means Committee, informed Treasury Secretary William Simon: "The fate of this surcharge rests on what the American people tell us while we are home" during the election recess. The answer was plainly no.

Ford's gimmicky WIN (Whip Inflation Now) voluntary program was a still-born loser. A lot of WIN buttons were flashed around the White House, inspiring ribald imitations elsewhere, but in fact, from a President it was singularly inappropriate advice to stop spending just when sales were dropping in a stalled economy. Henry Ford II, for one, informed Ford of his error.

One of the reasons the President's first energy program was so lackluster is that a comprehensive study—Project Independence—had not been completed prior to the message. In contrast to Richard Nixon, who liked to rush up instant cures for maximum effect, Ford



Up from Anarchy

Stubborn enough to stick to his principles yet sufficiently flexible to change course when events dictate, the President is praised by one Administration official for not "allowing himself to be stampeded. In terms of coming to grips with what is going on right now, I would not give him high marks. In terms of keeping the longer-range problems in mind, I would give him high marks. Where I would fault him most is in the political end. That may sound strange, since he is a political man. But he has not seized opportunities that he has had to exert leadership. On occasion he



has had too little imagination."

Ford has also shown progress in White House management and leadership, though he has still not made a total transition from Capitol Hill to the White House. In the beginning there was virtual anarchy. Ford did not rule, and neither did anybody else. White House staffers wandered into the Oval Office pretty much as they pleased and so did innumerable outsiders paying courtesy calls. The President was determined not to repeat the mistake of his predecessor and isolate himself from the outside world. He gave a warm welcome to practically anybody and ushered in a short-lived era of good feelings.

But his appealing permissiveness took a fearful toll of orderly decision-making. Out of a sense of continuity or perhaps a misplaced compassion, Ford was very tardy in ejecting the Nixon holdovers, some of whom had nothing to add to the White House except mischief. His closest aide, Robert Hartmann, openly quarreled with Nixon's lingering Chief of Staff Alexander Haig. The dust did not settle until Haig was shipped off to Europe as commander of NATO forces.



"Welcome to the club."

The New Team

More recently, Ford has been trying to straighten out the jumble at the White House. Pieces have begun to fall into their proper places; aides have stopped shifting uncertainly from office to office. "He's coming along," says a former presidential adviser. "There's been a significant improvement in his



"Now for the bad news..."



"Now for another look at the map."

perception of the job. I assume the experience of sitting at that desk and seeing the things you have to deal with daily accounts for the change in presidential chemistry."

Before taking office, Gerald Ford described the kind of staff he would like if he were to become President: "I want them to have a good public image because what they do reflects on me, good or bad. I want them to conduct themselves as I try to conduct myself—in a friendly, personable way. I want them to be loyal to me. I want them to be frank with me. I want them to be a working unit, not individuals. I want them to reflect my personality, and I think my personality is open and candid."

Ford seems to have nearly completed the carpentry of just such a staff. The majority of the men Ford has chosen are, by common consent, much like the President himself. Most are not endowed with formidable intellectual gifts, and nearly all are unaccustomed to dealing with problems of national scope. Yet they bring some of Ford's own candor, ease and plainspoken personal drive to their work. The one man close to Ford who may possess an innovative sense of the art of government is White House Chief of Staff Donald Rumsfeld. With the unique exception of holdover Kissinger, Ford's staff seems to make up in

earnestness what it may lack in sophisticated political awareness.

Few of its members can claim upon long years of Government experience to guide them, but they all seem to possess unquestioning trust in Ford's leadership and a bracing, personal loyalty to him. In some cases, this is born of longstanding close friendship. Philip Buchen, 58, Ford's courtly, scholarly legal counsel, and L. William Seidman, 53, the millionaire accountant who consults with Ford on economic affairs, both come from Ford's hometown, Grand Rapids.

The chief feature of the Ford White House is the face-to-face access to the President each of Ford's top aides enjoys. In an effort to avoid the palace-guard remoteness that characterized the Nixon White House, Ford has authorized nine senior aides to walk in on him virtually whenever he is free. Ford has also insisted on having frequent dealings with each man's deputy, so a steady stream of official faces continues to flow in and out of the Oval Office, all of them growing increasingly familiar to the President.

Among the newest faces is Housing and Urban Development Secretary James T. Lynn, 47, the witty, personable former Ohio attorney Ford has named Director of the Office of Management and Budget, a post Lynn will take over from the departing Roy Ash next month. John O. Marsh Jr., 48, a genial, hard-working former Democratic Congressman from Virginia, is now the President's chief congressional liaison, as well as public liaison with non-Government organizations. With his staff in place, Ford now guards his time more carefully. Aides have finally persuaded him not to read every letter from somebody on the Hill and then dictate a personal reply. Now staffers respond to routine communications with form letters, though the President still insists on signing them personally. He also has cut back on the number of his callers, and those who drop by are ushered out faster. He sets aside more time for study and reflection.

How Decisions Are Made

The decision-making process has speeded up. To compensate for President Ford's deliberate, not to say ponderous pace, Rumsfeld has begun demanding earlier deadlines for position papers from presidential advisers. "Ford is making more decisions himself," says an aide. When he does, he cuts down on discussion and internal crossfire. He is no less concerned with administration than with policy. Last week, for example, he decreed that Vice President Nelson Rockefeller's top staffers should join the President's chief advisers in the reg-

The chaotic staff conditions may have seriously damaged the President when he made his first major decision. For all his openness, he failed to consult his intimates in Congress, much less prepare the public, before he issued his pardon to Nixon. With that one stroke of the pen, he lost most of the good will his amiable Administration had purchased him, although history may ultimately judge his pardon more kindly. In any event, Ford's honeymoon was short-lived. When a prominent Republican returned to his native state of Indiana, he discovered a surprising amount of unhappiness with Ford among his "natural and visceral supporters." Noted the Republican: "When the small businessman of Indiana questions his ability, he's got a real problem." Complained a friend of Ford's: "The whole world is watching, but he is not yet acting like the Chief Executive of the most powerful country in the world."

THE NATION

ular round of White House meetings—a merging of two usually warring camps. Says Kenneth Cole, the director of the Domestic Council, who is due to leave the White House in March: "Ford asks good questions, which show that he knows what is going on in those areas. I have watched him stand up against extremely difficult decisions, and I'll tell you that he does it as well as any of them—if not better."

Sometimes decisions are a little too decisive. Once Ford makes up his mind, it clamps shut and cannot be pried open by the most eloquent appeal of his advisers. He once publicly reprimanded Secretary of the Interior Rogers Morton for advocating a higher gasoline tax after it had been rejected by the Oval Office. "One thing that irritates him is when somebody comes back again to try to make him change his decision," says Cole. But then he is equally stubborn on matters of principle where lesser men might cave in. He vetoed the inflationary veterans education bill even though he knew that Congress would override

it. "He was advised that it was political suicide," recalls Cole. "But he said: 'I'm going to make my decision on what I think is right for the country, not on the basis of what Congress will do.' So he stuck to his principles over politics. I think that is leadership."

Facing the World

Ford has made some strides in foreign affairs, an area in which he had little expertise in Congress. But then he has had an exceptional teacher in Kissinger. "The President finds foreign policy exciting," says a longtime associate, "partly because of the way Henry presents it to him." Ford tends to accept his lessons without much argument. Kissinger confers with him in the Oval Office between 9 and 9:30 every morning, and the Secretary of State does most of the talking. The President does not have the worldly confidence or foreign acumen of Richard Nixon, and he knows it. His staff is equally in awe of Kissinger, who was the constant butt of gibes from Nixon's palace guard.

But if Ford lacks an overview and a firm, conceptual grasp of foreign policy, he has proved to be adept at person-to-person negotiations. Foreign leaders who have met him have instinctively liked him. The President, in fact, gets along with Soviet Ambassador Anatoly Dobrynin better than Kissinger sometimes would recommend. Yet Ford personally and successfully negotiated with Soviet Party Chief Leonid Brezhnev by cable for the release of Simas Kudirka, the Lithuanian seaman who jumped ship in 1970 and was then turned over to the Russians by the obliging U.S. Coast Guard.

Ford has not yet fully mastered the precision of the language of diplomacy. Occasionally, Kissinger has to cover for a Ford misstep. At a press conference last November, the President seemed to suggest that Israel would negotiate with the Palestine Liberation Organization—a thing the Israelis have sworn never to do. Then Ron Nessen compounded the error by declaring that the President stood by his statement. Kissinger

Now the Constituency Is the Nation

Alternately sipping black coffee and puffing on his pipe, White House Chief of Staff Donald Rumsfeld talked with TIME Washington Correspondent Dean Fischer about his perceptions of Gerald Ford as President:

He likes to keep things moving. [White House Press Secretary] Ron Nessen may have a question about a piece of legislation, and the President will say, "Well, let's get so-and-so in here and find out about it." I can sit down with him and run down 40 items in 30 minutes. The President doesn't like things hanging around a long time.

He's not self-conscious. He's comfortable with people and very much at ease even if he hasn't met an individual before. We can bring in an expert, and the President is not inhibited from exploring an issue he's interested in. Nor does his demeanor prevent anyone from frankly discussing a problem. He's not as reserved as many people in high office. He's relaxed and outgoing.

When we were meeting with the energy advisers the other day [in Vail, Colo.], the caretaker of the house where the President is staying walked in to get a pair of ski boots. The President paused and introduced him around the room. That put everybody at ease.

Twenty-four to 48 hours prior to those meetings, lengthy papers came in summarizing the work done in the interim—as I recall, a 58-page paper on energy, a somewhat shorter paper on the economy. I gave them to the President and he read them. I remember the President once said that he is a better lis-



CHIEF OF STAFF DONALD RUMSFELD

tenor than he is a reader. I have not found that to be the case. He'll take a thick stack of papers and read them after dinner. It is clear that he reads them because I'll get handwritten notes or questions he scrawled in the margins throughout his evening of work.

He's a do-it-now kind of person. The other day, on the spur of the moment,

he picked up the telephone and called a Senator who opposed a veto of a particular bill. And conversely, when somebody is violently opposed to a bill he signs, the President may call him up to explain his reasoning. You don't get to be minority leader of the U.S. House of Representatives without being one hell of an able guy. The President is not smooth in the modern sense of the word, but the House is a pretty tough league.

I've seen him get a little angry on two or three occasions. In each case his irritation was well merited. If his schedule gets fouled up and people are kept waiting, he expresses his dissatisfaction. He also has a not unreasonable degree of impatience.

The President's gregarious nature does not interfere with the flow of White House business. On the contrary, I'd say his many friends are helpful to him. He has so many people calling him or writing him notes that it gives him what he wants, namely, multiple sources of information.

Fischer recalled that Rumsfeld worked for Jerry Ford the minority leader when Rumsfeld was an Illinois Congressman, and is now working for Jerry Ford the President. Has there been any basic change in his approach?

Of course, the major difference is that the minority leader's constituency is the 140 or 180 Republican members of the House and, in a somewhat larger sense, the Republicans of the nation. The constituency of the President is the nation. If you looked at the President's calendar, you would find that the spectrum of people is considerably broader. I suppose that is the most dramatic difference.



1. At the famous Saratoga races, Deborah Diane Voss excitedly lit up a cigarette when her prize gelding was coming down the backstretch



2 Her horse won. She lost.



You've come a long way, baby.

**VIRGINIA
SLIMS**

With rich Virginia flavor women like.



Fashions: Bill and Hazel Halm for Friedricks Sport

Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health

Regular: 16 mg. "tar," 1.1 mg. nicotine—
Menthol: 17 mg. "tar," 1.1 mg. nicotine av.
per cigarette, FTC Report Mar.'74

IBM Reports

How one company's people and products are helping find the answers to some of the world's problems

Computer helps county give better service—from fire protection to community planning

Officials representing cities, counties and other units of local government from all over the United States and Europe have been converging on Eugene, Oregon lately.

The reason for their interest is that Eugene, and Lane County in which it's located, are considered to be among the nation's foremost local governments in the use of computer technology.

Just about any kind of information necessary to the efficient management of community services is processed by

an IBM computer which is shared by the city and county and 16 additional governmental units.

For example, the Lane County system is used to compile figures for electricity and water billing. It also keeps a record of the assessed valuation of each piece of property in the county for tax purposes.

"The point is," says Paul Weber, Director of Lane County Regional Information Systems, "with the computer, our local government agencies can be

far more responsive and responsible to the people they serve." He cites as a good example the way the computer was employed recently to help determine the location of a new firehouse. On a grid-like map indicating streets and homes in a section of Eugene, the computer pinpointed the precise spot from which the fire trucks could provide protection for a maximum number of homes within a three-minute run. Housing density and one-way streets along the various fire routes were among the many factors taken into account.

"Thanks to the computer, people here receive more service for their tax dollar," says Weber. "We asked every department to determine what its operating costs would be without the computer. The result showed a \$2.10 return on every dollar invested in data processing."

In the future, Eugene and Lane County officials predict that the computer will become increasingly important to community planning, helping to see that new roads and construction projects make the best use of the land.

Learning system lowers language barrier

Imagine a school located in a district where children come from homes representing 22 different languages.

That's the situation at Marina Del Mar Elementary School in Monterey, California. But in spite of this, teachers report that many pupils from strictly foreign-language homes are communicating in English within a remarkably short time. And, among children from English-speaking backgrounds, some second graders are reading at a sixth grade level. Those responsible for the school's language-reading program say the major reason for these results is the Distar® System—an innovative teaching method developed by Science Research Associates, an IBM subsidiary.

The Distar System employs separate language and reading programs in a highly-organized series of lessons. In the Distar Language Program, the identification of everyday objects is



Lane County Courthouse employees use information displayed on computer video screens to help speed service to citizens.

Washing blood for transfusions

By freezing blood in the form of red cells, hospitals can keep it much longer, including rare types that can be difficult to obtain.

But, before they can be used, previously frozen cells must be cleansed of preservative. An IBM development called the Blood Cell Processor is literally washing the red cells so they can be safely administered to patients. The Central Blood Bank of Pittsburgh is one of the facilities in the U.S. and other countries using this equipment.

After the blood is thawed, the IBM machine goes to work removing the glycerol, a chemical which permits red blood cells to be frozen without damage. According to Dr. Ron Gilcher, Medical Director, the IBM Blood Cell Processor removes more than 99% of the glycerol from the red blood cells, making them ready for people who need transfusions. And it does the job at lower cost than other methods.



Portrait of pollution

Two IBM scientists have programmed a computer to map the flow of pollutants in the air over a city, as shown in the illustration above.

Working on the project for the Environmental Protection Agency, Dr. C. C. Shir and Dr. L. J. Shieh constructed a mathematical model of what they expected to happen in the air. They then compared it with observed data gathered in St. Louis, whose air pollution problems are similar to those of many large cities. Weather conditions and pollution levels were monitored for 25 consecutive days. These atmospheric conditions were very similar to those indicated by the computer-generated mathematical model. The scientists are now collecting data that will enable them to apply this technique to other cities, gaining knowledge that may help in the effort toward cleaner air.



Workers check almond crop in Richgrove, California. M. B. McFarland and Sons manages this orchard and two other agricultural operations with cost control assistance from a computer. The three separate locations are linked to the company headquarters in McFarland, California by a computer that processes data on everything from weed control materials to insecticides to irrigation costs. The computer has reduced the time spent preparing reports by 75%, resulting in more efficient farm management.

used as a point of departure. For example, the teacher might display a picture of an automobile to the class and ask, "What is this?" If there is no response, the teacher will simply say, "car." Then the teacher will again ask the class, "What is this?" This process is repeated until the class can correctly identify the automobile, by which time the pupils are also beginning to understand the instructional language used by the teacher to elicit their responses.

In the Distar Reading Program, the sounds of the letters are the basic building blocks. "In order for a child to learn to read, he must know the sounds

the letters make. He does not necessarily need to know the names of the letters," says Mrs. Charlie Knight, school system official.

Teacher Mary Alice Brockway says, "The secret is to present the children with small learning tasks—goals they can achieve. And to keep building their confidence by constantly acknowledging their progress."

How well the system works is demonstrated by a little girl named Hea Seon Kang. From a Korean-speaking household, she's such an adept student of English that she has quickly become the unofficial translator for the other Korean students.



Children at Marina Del Mar Elementary School in Monterey, California, are enjoying their lessons while learning at a rapid rate.

IBM

Authentic.



The Table: Used by the famous Scottish poet, Robert Burns (1759-96). It still stands firm and in daily use at Dewar House. **The Whisky:** Dewar's "White Label."

The Burns table.

If any whisky deserves to sit upon Robert Burns' old table, it is Dewar's. None would have pleased him better.

As authentically Scottish as the glens and lochs it comes from, Dewar's is blended and bottled in Perth, where Burns himself once lived and wrote

some lusty Scottish verse.

It is in Perth too that whisky makers are sticklers for tradition . . . where they still believe there's only one way to make Scotch whisky and there'll never be another.

Bobby Burns would drink to that way of thinking.



Dewar House
The Haymarket, London

DEWAR'S
"White Label"

Dewar's never varies.



The facts in this advertisement have been authenticated by the management of John Dewar & Sons, Ltd., Perth, Scotland.

finally managed to make the remark appear to be ambiguous, as if the President had some remote Machiavellian purpose in saying it. That is diplomatically acceptable.

The Aroused Democrats

Ford faces a stern test when the 94th Congress convenes. The Capitol halls are filled with a new sense of urgency as Democrats, enjoying an overwhelming majority, prepare to set their own goals and priorities. "They are a national, operational group," says Russell Hemenway, director of the National Committee for an Effective Congress. "The power of oversight will be used more broadly than ever before." Among the host of programs to bring tax relief, spur the economy and cushion unemployment that congressional Democrats have considered, they have discarded practically nothing, with the exception of a revival of the Reconstruction Finance Corporation. They discovered that the Depression-born agency's function of lending money to foundering businesses had been assumed by other federal agencies. The Democrats' program issues a clear challenge to the President: "The nation at this juncture could ill afford a passive Congress that did no more than wait and then react in leisurely, piecemeal fashion to Executive recommendations."

This is no idle threat, since the Democrats command the troops to enforce their program. The 75 freshmen Democrats in Congress have assumed an importance on the Hill that newcomers never dared seek before. Since Albert and the leadership have made caucus king once again, the freshmen are aware of the weight their numbers carry. As long as they agree among themselves, what they say goes. They have even summoned the once imperious committee chairmen to appear before them one by one to state their position on the party program. If the chairmen try to behave with their traditional independence and ignore party instructions, they risk being removed. Such a strengthening of the opposition party means a rougher scrap for Ford on the Hill.

No less thorny will be the Democrats' stand on foreign policy; both chambers virtually bristle with hostility toward the diplomatic-military establishment, an attitude that Kissinger is at pains to combat. One of the first items on the Administration's agenda may be increased military aid for embattled South Viet Nam, a request that will be met in Congress with hot resistance or icy indifference. But Ford's persuasive powers with the legislative branch may prove useful. By buttonholing senior Senators last month, he was able to persuade them to extend the cutoff date for military aid to Turkey.

The ultimate test, of course, will be world stability. Détente is in some jeopardy because the Soviets may refuse to permit sufficient Jewish emigration, thus

losing their recently granted most-favored-nation status. Crises could flare up in Viet Nam, Cambodia, the Middle East—testing the mettle of the President as many of his predecessors have been challenged.

The Inescapable Risks

For now, the challenge is at home, in the economic and energy problems that can no longer be ignored. They are complex and interconnected, and in moving to confront them, Ford and his advisers run dangerous and inescapable risks. The key to the present economic malaise is consumer uncertainty. Consumers are not buying, for fear of the future, and in particular, they are not buying cars. A very large portion of the U.S. economic decline is concentrated in the auto industry. Ford is gambling that giving Americans \$15 billion back from their last year's taxes will produce a buying binge that will halt the recession. But some economists fear that too many worried consumers will simply sock their windfall away in savings accounts. That would make more money available for mortgages and help the housing industry but still not get vital auto sales up to normal and necessary levels.

Even more difficult to predict with

any assurance is the net effect on economic activity of the huge changes in oil prices and taxes being proposed by Ford to help solve the energy problem. The increase in energy taxes could amount to \$28 billion and over an 18-month period could raise the consumer price index by as much as five percentage points over what it otherwise would have been. If the general inflation rate does not abate, that could prove an exceedingly high—and probably politically intolerable—price to pay to achieve a negotiable measure of independence from imported oil.

And on the recession side of the ledger, no matter how promptly the Government moves to return to consumers and industry the tax and tariff monies collected on oil, there is bound to be a lag between tax and return that in the short run will slow economic activity in the U.S. Some parts of Ford's package must work at cross-purposes, but if the effect of any one element goes seriously awry, the whole enterprise could come apart like some Chaplinesque machine of wheels within wheels that has slipped a gear. As Ford Adviser Buchen puts it: "The interrelatedness of our domestic problems is so great that there's very little room for miscalculations."

Coleman: A Choice Cabinet Choice

In a move that will add luster as well as diversity to his Cabinet, President Ford this week will name William Thaddeus Coleman Jr., 54, Secretary of Transportation. A senior partner in a prestigious Philadelphia law firm and former president of the N.A.A.C.P. Legal Defense and Educational Fund, Coleman has filled appointive posts under four Presidents. Married and the father of three children, he will be the second black to hold Cabinet rank: Robert Weaver, Secretary of Housing and Urban Development from 1966 to 1968, was the first.

A *magna cum laude* graduate from Harvard Law School in 1946, Coleman was selected by Justice Felix Frankfurter to be the first black law clerk in the history of the Supreme Court. He and another young clerk, Elliot Richardson, used to spend one uninterrupted hour each morning reading poetry together.

Coleman helped draft the brief that led to the landmark 1954 Supreme Court decision outlawing school segregation. He defended Freedom Riders and sit-in demonstrators in the 1960s and represented the N.A.A.C.P. in a case that found unconstitutional a Florida law prohibiting cohabitation between the races. At the request of former Pennsylvania Governor William Scranton, he led the legal fight to desegregate Girard College in 1965. Coleman served on the Eisenhower National Commission on



the Causes and Prevention of Violence, President Kennedy's Lawyers' Committee for Civil Rights Under Law, the Warren Commission and the federal Price Commission in 1971 and was a U.S. delegate to the 24th United Nations General Assembly.

A Republican, he urged Richard Nixon to resign rather than put the country through a lengthy and divisive impeachment process. But he also argued that the President should be permitted to destroy tapes and documents before leaving office.



Gerald Ford: "They Will See

President Ford looked trim and rested, his face surprisingly unlined, as he met with members of TIME's editorial staff in the Oval Office last week. He sat easily in an armchair, cupping an unlit pipe in his left hand, and answered questions on energy and economic policy, foreign affairs and the demands of presidential leadership. In several areas, he was clearly still in the process of formulating his State of the Union program. The questions were asked by Managing Editor Henry Grunwald, Chief of Correspondents Murray Galt, Washington Bureau Chief Hugh Sidey and White House Correspondents Bonnie Angelo and Dean Fischer. Excerpts from the exchange.

Q. What went wrong with your earlier economic program that makes you feel you need a new program?

A. We went through a long, I think, constructive process of economic summit, culminating in a program which we felt at that time would meet the primary threat of the problem of inflation. I thought it was well tuned to meet that head-on, with some consideration given to the problem of economic stability.

But all of the economists that I have talked to, including the ones here and some from Western Europe, have indicated to me that they did not foresee the precipitous drop, particularly in the automotive field. Of course, that has been told to me very directly by the automotive manufacturers. There was a rapidly developing and certainly unforeseen massive loss of public confidence. When you combined all of those, the plan we had wasn't adequate and it wasn't properly balanced.

We have had to restudy conditions as we see them now and as we foresee them, and the new plan is aimed at the current circumstances rather than what the circumstances were in August and September. It is just an updating for the current conditions, conditions which were unforeseen and are far, far more serious.

Q. What is the shape of your energy proposals?

A. We have had the benefit of massive, year-long study. The energy program is the pulling together of the various recommendations that generated out of that study. In addition, we find that the voluntary program has not been as successful as it should be. Although for the first nine or ten months of this year we were using energy—either energy as a whole or imports—at a rate of about 5.4% less than '73, in the last several months it has gone about 5% ahead of a year ago. A year ago we were importing about 6 million barrels per day. Now we are importing about 7 million barrels per day. This proves to me

that a voluntary program isn't sufficient.

Q. Is this failure of voluntary effort a disappointment?

A. It is a disappointment, but I think understandable. Everybody had ample gasoline, or even in some selected areas price wars, which certainly is not an indication of any lack of supply. What I am saying is that the American people don't respond unless they see firsthand a crisis. Now, that may come. If we get some of these natural-gas shortages, which are inevitable up in New Jersey and New England, particularly if we have a hard winter, then again that crisis will be thrown at the American people and maybe a voluntary program will be regenerated.

Q. Can you foresee rationing under any circumstances?

A. Not unless we have an oil embargo. I don't see rationing unless something of that magnitude takes place.

Q. Can you foresee wage and price controls?

A. I certainly see no wage and price controls in the offing, period. We have found that the wage settlements have been fairly moderate, so I just don't foresee controls as any proper remedy under any circumstances that we can see.

Q. Would you sacrifice some of the environmental controls for the sake of energy policy?

A. There has to be responsible reconsideration of some of the extreme standards that were set. Let me give you an illustration.

On auto emissions, the Secretary of Transportation can extend for one year the present standards. But that means that those other standards [a 40% increase in efficiency of gas per mile] have to be met, I think, in three or four years. The automotive people tell us that they can't achieve those standards [unless they get some relief on emission standards].

I think the [new] emissions standards that will be agreed upon are thoroughly defensible, but they will be somewhat less than the standards that were set in the law four or five years ago. So there will be a reconsideration based on better data and hopefully it will be a better balance between the environment and energy.

Q. Regarding the problems of leadership with a heavily Democratic Congress, would you think in terms of some kind of coalition approach to solving problems?

A. Obviously the Congress and the White House have to work together. I obviously have to work with Republicans most of the time, but there is a floating coalition up there.

Something Is Being Done"

This is the way I worked when I was in the minority leadership post: on some issues we would have a sizable group of Republicans and we would go to Segment A of the Democratic Party. On foreign aid, for example, until recently I could work with the more liberal and more internationally oriented members of the Democratic Party.

On another issue, fiscal affairs, I would work with another element of the Democratic Party. On defense, it would be with even a third or a mixture.

So I think there is a coalition that has to be put together, but it might not be identical in every issue. That has to be a very fluid, floating coalition.

Q. Could this be more formalized in the issues of the economy and energy?

A. I hope there will be a very broad consensus. I think it has to be, primarily because speed is essential in both cases.

Q. How about a coalition Cabinet?

A. Well, Levi is an independent and I guess he has been an identifiable Democrat,* if not an active one, most of his life, and we are certainly going to stand firm on his nomination. I wouldn't rule out another Democrat in the Cabinet, but we are moving slowly.

Q. Back to the economy. Have you come to a set of decisions on what kind of stimulation is required?

A. Yes, we have. There has to be a sufficiently large tax reduction to really have an impact on public confidence. People and business have to feel that there is something meaningful.

You have seen all of the speculation. Some people want \$20 billion, some \$15 billion and some \$10 billion. It is our judgment that something roughly in the middle is the right figure.

The next question is, how do you get it back to them, because if you just say you are going to do it and they see nothing in hand, it doesn't do much for public confidence.

So, there are a number of ways of deciding how you get it back, whether it is a credit on their April 15 [returns]; whether you actually turn around and send them a check predicated on their income tax for 1974; whether it is all in one lump; or whether it is two, three or four specific checks.

On that issue we feel we have something in hand pretty concrete, particularly for people. Business is more sophisticated. I think they can understand it a little better, and I don't think it is very wise to send a great big check back

to Texaco or U.S. Steel when somebody else gets a relatively minor check.

But anyhow, business would be treated differently. And yet, you have to have some fair division between—you take the figure of, say, \$15 billion for illustrative purposes—how do you divide it? Is it 50-50 or 75-25?

Then, of course, in the business field, what is the technique? You have the investment tax credit as a possibility. You have the reduction in rates and then you have the problem—is this a one-year tax cut or is it two years or maybe longer? For psychological reasons, you probably would do more to give it in one year. Two years with a lesser amount per year doesn't give the same immediate psychological impact.

Q. What are the reasons for a credit on 1974 taxes?

A. Well, here is a problem that you have to look at. Supposing you increase the person's personal deduction in 1975. The guy who is not working doesn't get any income except unemployment. He doesn't get a shot in the arm. He may have had a job in 1974. So, if you just do it by the increase of the personal exemption on his income in 1975, he doesn't get any restoration of confidence. We want simplicity and promptness. Those are the two criteria that we are aiming for in the stimulative attack.

Q. Would you propose tax reform as well as tax reduction?

A. I don't think you can mix them if you want prompt action.

Q. Moving to foreign policy, can you tell us more about the idea of using force in the Middle East and under what circumstances?

A. I stand by the view that Henry Kissinger expressed in the *Business Week* [interview]. Now, the word strangulation is the key word. If you read his answer to a very hypothetical question, he didn't say that force would be used to bring a price change. His language said he wouldn't rule force out if the free world or the industrialized world would be strangled. I would reaffirm my support of that position as he answered that hypothetical question.

Q. What would your definition of strangulation be?

A. Strangulation, if you translate it into the terms of a human being, means that you are just about on your back.

Q. Are you optimistic about an extension of détente to the Middle East? Is the Soviet Union playing a constructive role in the Middle East now?

A. The Soviet Union wants to throw all of these issues into Geneva. [The Soviet proposal is to renew Middle East

*Edward Levi, president of the University of Chicago, has been proposed as Attorney General. The selection is under fire from Senator James Eastland, chairman of the Senate Judiciary Committee, who considers him too liberal. Levi has not revealed whether he is indeed a Democrat.



THE NATION

peace negotiations in Geneva under the chairmanship of the U.S. and the U.S.S.R. We don't rule out Geneva at a point, but we do feel that in the interim before we go to Geneva, or they do reconvene Geneva on an active basis, we ought to try and make some other additional progress on a step-by-step basis.

Q. What of the arms buildup?

A. Well, they have generously supplied Syria. They have, of course, been negotiating with Egypt. I think it would be good if everybody had less arms in the Middle East, but that is not the way the world is out there.

Q. What are the prospects for war in the Middle East?

A. They are very, very serious. They get more serious every day that we don't get some action for further progress in the settlement of some of those disputes. Every day that passes becomes more dangerous.

Q. There has been a suggestion that the United States might formally guarantee Israel. Is that a possibility?

A. We have given everything except that. We have often made commitments that we consider Israel a necessary state in the Middle East, both as to integrity of territory and its existence. I wouldn't rule out [a guarantee] under some circumstances, but there has to be, in my judgment, some real progress there before that step would be taken.

Q. Are there any concrete limits on our commitment to Israel?

A. It so happens that there is a substantial relationship at the present time between our national security interests and those of Israel. But in the final analysis, we have to judge what is in our national interest above any and all other considerations.

Q. Turning to the trade bill and Jewish emigration from Russia. Many groups if not all citizens in the Soviet Union are, by our definition, unfree. Why is it right for the United States to make such an extraordinary effort for Soviet Jewish citizens?

A. There are a number of ethnic groups in this country who come from various parts of the Soviet Union who seriously ask that same question—Latvians, Estonians and others. Quite frankly, I think there is a stronger pressure group [in the U.S.] on behalf of Jewish emigration. Now, I am told, and I think the sources are accurate, that the Jewish population within Russia has always had serious problems, regardless of geographical or other considerations. So that may be a factor.

We have worked very hard in trying to get conditions that would increase the availability of applications for emigration, non-harassment and relatively free emigration. The great publicity that

has been given by some, perhaps going beyond the facts, may well have hurt rather than helped Jewish emigration.

I saw a figure the other day for the calendar year 1974, I think. Total Jewish emigration from the Soviet Union for that last year was 18,000. In 1973, it had gotten up to 35,000 or 36,000 [The President's recollected figures were slightly off—see THE WORLD.] We would certainly hope that it could go beyond 1974 and the higher, the better. But we really don't control that. And probably never will.

Q. Why does the recent Harris poll find 86% of the people give a negative response on your ability to deal with the economic problems?

A. I think the public generally doesn't realize the change that took place that I described earlier in the economic conditions—the loss of public confidence with a substantially increased unemployment.

During the economic summit last fall, we had a whole range of economists—not one of them forecast, as I recall,

overnight, as they have to have more than a plan, but at least they will see that something is being done.

Q. What is your greatest frustration in leadership terms?

A. The inability to be able to say this has to be done and expect it to accomplish overnight success. That isn't the way it works, either in foreign policy or domestic policy. It is a slow, constructive, hard-working process.

You have to get the cooperation in foreign policy of your allies on the one hand and your adversaries on the other, and those things don't happen overnight. In the domestic scene there are a multitude of factors—pure economics plus public confidence. Those things don't change overnight just because the President says so.

Q. On one occasion you spoke of your concern of the self-destructive impulse that you feared might be at work in American society. What do you think can be done about it?

A. Well, as I look back, certainly there



the precipitous drop in auto sales and the increase in unemployment.

Q. The public won't hold it against the experts for having been wrong?

A. No, they'll just hold it against me.

It is a natural tendency of Americans to say, "The President should have stopped all of this." Well, I think all of us recognize that a President can't turn a switch and everything changes.

Now, it is my judgment that with the plan and program we are going to submit next week, that there will be a realization we have a plan. It will give me an opportunity to provide leadership and hopefully get a response from the Congress and the American people. If that takes place, I believe there will be a change in the polls. That will not be

was this self-destruct attitude toward Mr. Johnson and it carried on into Mr. Nixon. I am not saying it is aimed at me, but I think there is a tendency as we look over the recent history that Presidents become very visible and very live targets. Now that is fine and it doesn't hurt individuals, but it certainly could hurt the presidency.

What can be done about it? I wish I had the answer, and I don't want to say the press is at fault or the press can overnight change it. I am not sure that that is true.

Q. Could you conceive of appointing Mr. Nixon to any overseas post or any kind of a post? His daughter brought that up again yesterday.

A. Frankly, I hadn't thought of it.

Rockefeller: "Things Are Not Simplistic"

Nelson Rockefeller is a commuter Vice President, shuttling frequently between Washington and New York in his private jet. Not before the end of the school year will he move his wife Happy and their two young sons to the capital city. But he never makes the trip home without taking along several top aides and a hefty leather bag, which is stuffed with up to 45 lbs. of vice-presidential paper work.

The homework is a token of Rockefeller's approach to his new job. He had hardly settled in his office in the Old Executive Office Building before he was characteristically charging ahead. Among other things, he has assembled a staff of about 30, most of them old associates who took salary cuts to follow him on to the federal payroll in Washington. He has held individual get-acquainted meetings with Cabinet members and other key Administration officials. He has launched the Admin-

istrations very thoroughly that he is whatever the President says he is."

Last week, after attending his first Ford Cabinet meeting, Rockefeller chatted for an hour with TIME Bureau Chief Hugh Sidey and Correspondent Bonnie Angelo. It was his first press interview as Vice President. Still unused to his new title, he slipped once in relating an anecdote and referred to himself as "the Governor." But there was no confusion in his mind over his role in Government or his relationship with Ford. Pressing two fingers together, he declared: "We're like that." The circumspect Rockefeller would not discuss foreign policy ("That is not my field"). He also would not predict whether he would develop with Ford an overall concept of American life to serve as a framework for domestic policy, as Secretary of State Henry Kissinger has done for U.S. foreign policy. Said Rockefeller: "My hunch is that that is what the President is going to do, but

front of the President. I am in a delicate situation. I am going to give him the best judgment that I have in any field that he asks me about. After he has made a decision, I will support it.

Q. How can you avoid being frustrated as Vice President?

A. I have known every Vice President since Henry Wallace (1941-45). I come to this at a different point in life. I have had a very active and very rewarding life. This opportunity I did not expect.

Q. Why take the vice presidency?

A. I love this country and I want to serve this country. I spent most of my life trying to serve this country and our relations with other nations. To me it was a great opportunity to be where one might be able to be helpful.

Q. Are you concerned about having to submerge your own ideas?

A. I will always be Nelson Rockefeller. I think the vitality of a democracy is unity with diversity. The President is a man who is open, who wants to listen, to understand different points of view and then try to come to the best decision. I can't stress enough his power of concentration and his total singleness of purpose trying to find what is the right thing to do. I think people are going to look back in history and say that he was bitterly criticized in a lot of things but that this man really has handled himself extremely well and he is grounded in the fundamental beliefs on which this country was built. I worked for five other Presidents and I have attended Cabinet meetings since 1940. I thought that this meeting today was the best-run Cabinet meeting I have attended. He was strong and direct in adding to the discussions and presentations. It was concise and useful to everyone there.

Q. Do you expect to be used more than previous Vice Presidents?

A. I don't expect anything. This, I think, is my greatest strength.

Q. What has the President decided about your role? He has announced that you will head the Domestic Council.

A. It is a statement of intention. The translation of intention into the way in which that can be brought about and realized is in the process of discussion. The function of the Vice President is to preside over the Senate and to be available for any assignment from the President. One visible assignment already is this committee on the domestic activities of the CIA.

Q. Can confidence in the CIA be restored?

A. Surely; otherwise this country wouldn't be in existence any more. That



istration's investigation of the Central Intelligence Agency (see story page 31).

Partner in Full. Several times a day, Rockefeller walks the short distance to the White House to meet with citizens' groups, to work with Administration members on details of President Ford's forthcoming State of the Union message, or to talk about domestic matters with the President himself. Says a top Rockefeller aide: "Ford signed him on as a partner, and there is every sign that he means it in full."

Mindful of his position as No. 2, Rockefeller is careful to do nothing that might be interpreted as acting on his own or as upstaging Ford. Explains one associate: "Rockefeller is highly conscious of being helpful, but not pushing." Adds another aide: "He under-

we haven't] had the time to sit around and just chat or philosophize." Highlights of the interview:

Q. Americans seem to be drifting, or maybe searching for leadership. How are you going to turn this around? Can you exert leadership from this office?

A. I am not going to. I am not in a leadership position; I am supporting the President. He can exert the leadership and I can support him. The President has the responsibility and the power, and it is a very lonely position. The Vice President has no responsibility and no power. [It can be different] only if the President wants to use the Vice President and only if the Vice President is experienced enough to know where the pitfalls are. I am not going to get out in

THE NATION

would be my impression. We have had one thing or another throughout 200 years, where there have been low periods and high periods, and individuals, and that is the strength of the system.

Q. The CIA is a rather new addition to our framework, of course. But has the world changed so much that the agency's function should be rethought?

A. As a basic principle, I would agree that nothing should be static. The domestic role of the CIA is very limited, and if there are violations, we will find out what those violations were and the status of them and then make recommendations.

Q. Do you have a conflict in investigating the CIA because you served until recently on the President's Foreign Intelligence Advisory Board?

A. I took an oath of office, so I can't have a conflict. I have one responsibility and that is to the people of this country

of the things that you reporters cherish is your secrecy. I passed a law in the state of New York to preserve the secrecy of the press so that you could not be taken to court to find out your sources. Nobody has less secrecy left in his life than me, and I never complained about it. I gave the FBI and the congressional committees everything, and it was systematically leaked for two months. So when we talk about privacy and secrecy, it is very hard to separate these two. These things are not simplistic.

Q. Is what you experienced going to keep good men from wanting to come into Government?

A. I don't think that everybody is going to have to go through that. I think that the pendulum is swinging. [With Watergate, it] has swung over where everybody wants something disclosed. I think that it will swing back to a central position.

Q. Should men in public life with wealth as great as yours not be subjected to extraordinary scrutiny?

A. No more than any other person. I don't think the public feels about it the way the press or radio or television or the politicians like to talk about it. I was elected four times, so some people did not think that wealth was a liability.

When I was running the first time and Sherman Adams got involved with that vicuña coat,* some very sophisticated people said, "This is going to be very tough for you." I said, "I don't think so. I think the people of New York are smart enough to know that somebody is not going to sidetrack me by giving me a vicuña coat." [As for the gifts to friends and associates], that used to be considered to be a decent thing. A lot of people repeat from the Lord's Prayer, "Forgive us our debts as we forgive our debtors." But ideas have gotten so distorted about money that people cannot conceive of somebody doing this for Judeo-Christian motives. It is very interesting and tragic in a way.

Q. Senator George McGovern has proposed a total inheritance tax to end concentrations of wealth such as your family's. What is your feeling?

A. Let me make a comment first. Mr. McGovern spent close to \$1.80 per person in his state in his campaign. My highest expenditure in New York was 37¢ per person. I don't think that Mr. McGovern really, when he gets back to Congress, is going to propose a bill to carry that out.

Q. Speaking of Watergate, at any point did you condemn Richard Nixon?

A. Oh, yes, I did, but nobody printed

it because it wasn't dramatic enough.

Q. What did you say? How do you feel now?

A. It is a tragedy. But let us profit from this as a nation. It wasn't just Watergate. It is violating the traffic laws, it is cheating on exams. There is too much of this beating the system.

Q. What about people who beat the system through tax loopholes? Are you in favor of tax reform?

A. I am all for tax reform, but tax loopholes—which has a sinister sound of wrongdoing—were written into the law for an objective by the lawmakers, to stimulate certain activities or industries or for some other purpose. I am for tax reform, but let us do it in a way that reflects the best interests of America.

Q. Where do you think the U.S. stands today?

A. At a turning point, and I think that we are going to come into one of the greatest and most exciting periods in the history of the world. Jean-François Revel, author of that book *Without Marx or Jesus*,* wrote on this subject and said: "I don't think the answers are going to come from the Communist world or from the old, European countries. The one place where there is flexibility and creativity enough is America." I remain an optimist. I see opportunities for improving the quality of people's lives not only here but in other parts of the world.

Q. What about the auto worker in Detroit? Has he, for example, any reason for optimism?

A. I don't know why not. He is living in America. He is a lucky guy. He has a tough thing at the moment, but he is still getting about 90% of his salary, and will for many months. This isn't like the Depression in the '30s. The man really has to think about whether our Government understands these economic and social problems and is able to create a framework within the free-enterprise system to solve them. There are a lot of things that are in short supply, so maybe he will find himself making something else for a while. But this [transformation] will take a new relationship between Government and private enterprise. I think the President is aware of this and is studying and is listening. He has to make some fundamental decisions, which he is in the process of finishing now, and then get on with the ramifications of them.

Q. So you think that there are specific solutions to the world's problems?

A. Yes, I do. I think that problems and opportunities go together. It is a question of how fast we can understand them. This is what the President is wrestling with now. I have confidence that we are going to find the right answers.



I have no other interests. The public is going to be satisfied on this one if the facts are obtained and if they are then made available and corrective action is taken.

Q. How can the commission avoid having its report called a whitewash?

A. I am not worried about what someone can accuse me of as long as I am satisfied inside that I am doing what I should. This commission is going to do the very best possible job and find out all of it. When you get the final report, you can make your judgment on what the commission was worth.

Q. Do you think that the CIA's problem is excessive secrecy?

A. This is a very delicate matter. One

*Adams resigned as President Dwight Eisenhower's chief aide in 1958 after admitting that he had accepted the coat and other gifts from Textile Manufacturer Bernard Goldfine.

*Published by Doubleday, 1971.

Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health.

© B&W Co.

Full flavor to match
the best of times.
RALEIGH



Men's slim
Tri-fold
billfold
by Amity



comes in brown or black
cowhide. Yours for free B&W
coupons, the valuable extra
on every pack of Raleigh.

To see over 1000 gifts, write
for your free Gift Catalog:
Box 12, Louisville, Ky. 40201.

CINEMA

**FREE
ADMISSION**

TO ONE OF THE MOST
CAPTIVATING BOOKS
EVER WRITTEN
ABOUT THE MOVIES!

Read this extraordinary
volume **FREE** for 10 days
as a guest of
Newsweek Books

...and discover the brash beginnings of
this fledgling art... venture behind the
scenes and onto the sets as the great stars
perform and classic moments are recorded
...trace the turbulent legacy of Holly-
wood and her most famous artists—from
Barrymore to Hepburn to Brando.

CINEMA

Is your introduction to a fascinating
series of the creative arts...
World of Culture





The most popular and influential art form of the twentieth century... now the complete story of its incredible growth and development, the special meaning and great moments of

CINEMA

It's the tale of brilliant pioneers like Griffith and Chaplin and Mack Sennett shaping film tradition straight from the "magic lantern days." Of Errol Flynn and Mae West adding their special brio and panache. It's Alfred Hitchcock magnificently scaring us to death... and John Wayne making himself a legend. It's song-and-dance and high noon showdowns... Mickey Mouse and Greta Garbo... *Birth of a Nation* and *2001*.

It is, in fact, a world that has touched all of us with its soaring fantasy and biting truth, its high drama and low comedy.

Now you can enjoy one of today's most colorful and intimate accounts of this enduring phenomenon—for you are cordially invited to read *CINEMA* for 10 days at absolutely no obligation or cost. To see for yourself its memorable highlights in more than 150 illustrations, photos and period posters. To trace its development through more than half a century of rapid change. And to share in the fascinating reminiscences of some of cinema's most famous and infamous personalities.

Find Out Why

You'll find out... why Hollywood, in 1910, was literally a town of outlaws¹... whose film debut, in 1932, sparked such a storm that the *Legion of Decency* was created²... who was Hollywood's first "superstar" actress³... and why studio executives rejected an aspiring young actor named Clark Gable in his first screen test⁴ (see answers on attached order card).



Charlie Chaplin
(18" x 24")

FREE MOVIE POSTER

For simply agreeing to examine *CINEMA* for 10 days, we'll send you this classic movie poster! And, as an extra bonus, you'll also receive two full-color artists' prints (shown below). All three are yours to keep—no matter what your decision about the book!

plus 2 BONUS PRINTS

Errol Flynn
Musicians
(30" x 14")



Hamlet
(12" x 30")



A Series Called WORLD OF CULTURE

CINEMA is your introduction to an exceptional new series called *World of Culture*... Newsweek Books' dynamic new collection of the creative arts. Each 192-page volume in the series—which includes such books as *MUSIC*, *THEATER*, *PAINTING* (two volumes), *DANCE*, *THE NOVEL* and others—features a valuable narrative-history of each art form; scores of illustrations many in full color; a special section of literary excerpts by or about noteworthy figures in the field; and a full index and reference section.

Every Volume FREE for 10 Days

For you and your entire family, these collector-volumes offer an uncommon and entertaining perspective into a world of the arts—books to pick and choose according to your own tastes and always on the same 10-day, free-examination basis. All without ever obligating yourself in any way. The price: each volume is just \$7.95 plus a modest charge for postage and handling. (See the attached order card or coupon for details of a trial subscription.)

Deluxe Edition Available

Each volume in the *World of Culture* series—including *CINEMA*—also comes in an exquisite Deluxe Edition, with gold-tooled binding in a fine-grain substance designed to outlast ordinary leather. This gives your book the custom look of volumes costing much more—yet you pay only \$2 extra per book. Check appropriate box on the coupon or order card.

Newsweek Books/World of Culture
The Newsweek Bldg., Box 417, Livingston, N.J. 07039

CKX15

☐ Please send me *CINEMA* to examine FREE for 10 days and enter my trial subscription to *World of Culture*. If I wish, I may return the book within 10 days and owe nothing. Otherwise, I will remit \$7.95 plus postage and handling. You may then send me future volumes in the series one every other month, on the same trial basis and at the same price. I may cancel my subscription at any time simply by notifying you.

☐ Please send this and any future volumes in the Deluxe Edition at \$2 more per book.

Include my FREE GIFT POSTERS:

Mr. _____
Mrs. _____ (please print)
Address _____
City _____
State _____ Zip _____

My initials _____

Note: Available only in U.S. and Canada.
Residents of Canada: Add \$1.00 more per volume.



THE DEANS IN LOS ANGELES



THE MAGRUDERS IN BETHESDA

THE KALMBACHS IN NEWPORT BEACH
Freed by the truth.

WATERGATE

For Three, Sufficient Punishment

In confinement at Maryland's Fort Holabird, John Dean got a telephone call from his attorney, Charles Shaffer. "Are you sitting down?" Shaffer asked. "No," said Dean. "Sit down." Dean did. Said Shaffer: "You're free."

Elated, but unable to reach his wife Mo in California because he had told her to keep their ever-ringing home phone off its hook, Dean began packing. He did so casually, since his fellow prisoner Jeb Stuart Magruder was near by, and Dean felt awkward about being released while Magruder remained confined. Then Magruder, too, was summoned to the telephone, and Dean got the drift of the conversation. He rushed up to Magruder. "Jeb, I got the same kind of phone call." The two men joyfully hugged each other.

He's Free. A third Holabird prisoner, Herbert Kalmbach, had been called to Washington by the Watergate special prosecutor's staff for more questioning. He was in the office of his Washington lawyer, Charles McNelis, when his Watergate attorney, James H. O'Connor, telephoned. "Is Herb there?" O'Connor asked. "He's free. I got it straight from the judge's chambers." Kalmbach picked up the phone and heard the news. His eyes filled with tears.

Thus did three of the men who were among the first to tell the truth about the Watergate cover-up learn that their prison terms had been cut short by a compassionate Judge John J. Sirica. Although they had formally applied for release earlier, Sirica had, in a sense, held them hostage until after the conspiracy trial ended. The testimony of Dean, Magruder and Kalmbach had helped convict four former officials of the Nixon Administration—John Mitchell, H.R. Haldeman, John Ehrlichman and Robert Mardian—in that trial. Former Special Prosecutor Leon Jaworski believes, in fact, that the testimony of such lower-level members of the conspiracy, plus the celebrated March 21, 1973 "cancer on the presidency" tape, would have produced the convictions even without the subsequent tapes secured at the direction of the U.S. Supreme Court.

Judge Sirica refused to explain why he had freed the trio. Typically, he would only say: "I did what I thought was right. The orders will have to speak for themselves." But TIME has learned some of the factors that Sirica considered. They included his belief that the three had been sufficiently punished for their Watergate transgressions, their cooperation with prosecutors, the lack of any move by the special prosecutor's staff to oppose early release, and Kalmbach's weeping at the trial, which dramatized the personal tragedy inflicted upon those caught up in the scandal.

The judge also apparently felt that the inexperienced Dean, the naive Kalmbach and the malleable Magruder had largely been exploited by the shrewd trio of Haldeman, Ehrlichman and Mitchell. Sirica, moreover, is known to favor setting an example of leniency for convicted men who cooperate in establishing the full truth of the circumstances surrounding their crimes.

The night before flying to California, Dean enjoyed a steak in an Alexandria, Va., restaurant with Peter Kinsey, a former member of Dean's staff as counsel to President Nixon. Dean served four months of his one- to four-year term for obstructing justice. Kalmbach, who completed the minimum six months of his six- to 18-month sentence, dined in Washington with his lawyers. Once Nixon's personal attorney, he had raised much of the hush money paid secretly to the original Watergate defendants. Magruder, the former deputy director of Nixon's 1972 re-election committee, who had admitted lying to various grand juries, prosecutors and at the original Watergate trial, was free after serving seven months of his ten-month to four-year term. He was reunited with his family in Bethesda, Md., where his wife Gail, in echo of a folk ballad, tied a yellow ribbon to a front-yard tree.*

Con Cope. Kalmbach and Dean caught the same flight to California, where Kalmbach remains a wealthy resident of Newport Beach, and Dean lives in Los Angeles. In the plane, Dean discussed his unique Watergate experience with TIME Correspondent Hays Gorey. Although the prison barracks at Fort Holabird are comfortable, and prisoners there can play tennis and cook their own meals, Dean found confinement psychologically destructive. "With professional criminals," he said, "incarceration is part of the overhead of doing business. They can cope." But he felt "helpless" in prison. "There's an unbelievable strain if you are independent by nature. Your wife must take care of all family problems, including your own. Your emotions become more sensitive. It's not self-pity, but I've had tears in my eyes while watching TV shows that are not particularly sad. People who haven't been there cannot perceive what it's like. Not even judges and prosecutors know what it does to a man to go to jail."

Dean conceded that prison is proper punishment for any criminal, including the non-professional, although he argued that "the pain of disgrace is one of the most severe any man can go through." But he thought that "equitable

*Key lines from *Tie a Yellow Ribbon Round the Ole Oak Tree*: "I'm comin' home, I've done my time; now I've got to know what is and isn't mine if you still want me, tie a yellow ribbon round the ole oak tree."



Own a bottle.

It's worth the price
to have at least one thing in your life
that's absolutely perfect.
Tanqueray Gin, a singular experience.

They're pursuing rewarding careers at Bethlehem



A College Relations Representative based at our home office, Mary Kale recruits engineers and technical graduates for Bethlehem's management-training program.



Anita Parsons is involved in an environmental engineering support capacity at the Beth-Elk-horn Corp., Jenkins, Ky., a coal-mining subsidiary of Bethlehem. She monitors potential pollution sources to see that standards are met.



A Coordinator in Materiel Control at our Sparrows Point, Md., steel plant, Joann Jacobs evaluates procedures and methods used to control inventory of electrical and mechanical parts.



Vinnie Moody has completed the first phase of our management-training program, and is now receiving on-the-job training in industrial relations at our Johnstown, Pa., steel plant.



Kathleen Geathart is a Programmer-Analyst in Bethlehem. Her duties involve programming and systems analysis in technical and engineering applications.



Valeria Fisher is Chief Chemist, Bethlehem Mines Corporation, at Johnstown, Pa. She manages the principal chemical laboratory, and supervises procedures for others.

Do you know a woman working toward a degree in engineering, chemistry, mathematics, or another technical discipline?

She may be interested in learning about the challenging career opportunities for women at Bethlehem Steel.

Information of interest to college students is available. Write: Director, College Relations, Bethlehem Steel Corporation, Bethlehem, PA 18016.

Bethlehem



sentencing" ought to be a post-Watergate goal of the judicial system. "Take Dick Kleindienst," he said, referring to the former Attorney General. "He made a successful plea bargain, received a tap on the back. Yet he lied to a Senate committee when he was chief law-enforcement officer of the U.S. Dwight Chapin (a former Nixon aide), on the other hand, was scared, unfamiliar with the law, but he faces ten to 30 months for two far less important lies about the "dirty campaign tricks" of a Nixon hired hand. I'm happy for Kleindienst, sad for Chapin."

As for his former bosses, Ehrlichman and Haldeman, Dean said he thought "they have convinced themselves that they are innocent. It appears they will devote the rest of their lives to trying to prove it. I hope for the best for them, but I wish there were some vehicle for them to tell the judge what happened, instead of just continuing to deny the overwhelming evidence." Dean argued that Haldeman's attorney, John J. Wilson, was wrong in referring to Dean and other young witnesses as "pretending to be cleansed." Said Dean: "I hope Wilson doesn't really believe that about 'pretending.' Telling the truth is an extremely cleansing, happy way to live." As to what kind of sentences the newly convicted conspirators should get, Dean declared that "no one is less qualified than I am to say."

Wiser Men. But why had the Nixon men become so corrupt? "No individual" was to blame, said Dean. "No particular atmosphere." Instead, he blamed "power," explaining: "Ever since F.D.R., presidential power had been expanding. We took the next step. Wiser men in the ways of Washington might not have let this power go to their heads, including young men such as myself. We were corrupted in taking advantage of power. I know some people think I'm too charitable in taking this view."

Dean said that he intends to lay out fully his own experience in an upcoming book. He will "hold back nothing," he added. "There will be chapters my mother will not enjoy reading. My son may be surprised at my admitting certain things. I was capable of doing wrong, and I did wrong. I can only try to right the wrong. I certainly cannot be proud of the actions that brought me into Judge Sirica's courtroom. I have done my best to serve the processes of justice in the only way I knew how."

Dean objected to Watergate Burglar G. Gordon Liddy's comparing him to Judas in a CBS-TV interview. "Judas did not forswear Christ," Dean noted. "But if I am Judas, I don't regret turning from the religion I turned from."

But what about Nixon? "Only the worst Nixon-hater would want to see him in jail. People say he went scot free. He didn't go scot free. I would hope to have an opportunity to talk to him about this some day. I can't say he would see me, but I'd tell him what, as a young

man, I've experienced. For one thing, how I've become immune to attacks. Magruder, Segretti, Krogh and others, we've done wrong. We've admitted it. We're no longer burdened by it. Nixon can achieve the same. If so, in a relatively few years the ugly side of the Nixon Administration will begin to roll back. If not, the good will be obscured. The feeling of retribution will linger."

At San Clemente, Nixon last week spent what his still-ardent defender, Rabbi Baruch Korff, termed "a quiet, meditative, prayerful, reflective" 62nd birthday. The rabbi, who spoke to reporters in a thinly veiled effort to help raise money to meet Nixon's continuing legal expenses, said Nixon was pleased by the release of his accusers. "That is very good, to ease the burden of man in time of trouble," Korff quoted Nixon as saying. Korff said that the fund drive he heads has raised \$95,000 for Nixon's

costs, but it needs another \$15,000 to meet a mid-January deadline for the next payment. Nixon is reading biographies of George Washington and Theodore Roosevelt, Korff said, as he prepares to write his own. But he tires easily, can only read 20 minutes at a time, has no appetite, and "I have never seen him so thin."

Korff implied that Nixon would not be likely to confess any criminal activity. Privately, Nixon has admitted to him only what he has conceded publicly: he made "errors in judgment" on Watergate. On the contrary, according to Korff, Nixon feels that he had been "too yielding and perhaps at times too compassionate"—presumably about the involvement of his aides—during the scandal. From the perspective of Dean, Magruder and Kalmbach, however, that would not seem to be a realistic appraisal of Nixon's Watergate role.

INTELLIGENCE

Examining the Examiners

Democratic Senator William Proxmire of Wisconsin complained to reporters that President Ford's commission to investigate the Central Intelligence Agency was "very one-sided." Republican Senator Richard Schweiker of Pennsylvania questioned whether "a panel so dominated by those oriented to Government and the military intelligence establishment can render an independent judgment."

So it went last week for the eight prominent Americans named by Ford to investigate charges that the CIA conducted a massive—and illegal—domestic spying operation against thousands of Americans in the 1950s and 1960s. In particular, the liberal critics challenged Ford's choice of Vice President Nelson Rockefeller as the commission's chairman. They noted that he had served from 1969 until last month on the President's Foreign Intelligence Advisory Board. Rockefeller denied any conflict of interest.

Indeed, it was certainly premature, if not unfair, to fault the commission before its members had reported their findings and recommendations to Ford by his deadline of April 4. Still, Ford obviously had no intention of appointing a commission that did not reflect his own moderate-to-conservative point of view and that might unduly expose legitimate CIA activities. Thus, besides Rockefeller, Ford chose the following:

JOHN T. CONNOR, 60, Secretary of Commerce from 1965 to 1967 and

now chairman of the board of Allied Chemical Corp. As president of Merck & Co., Inc., from 1955 to 1965, he was an outspoken pharmaceutical executive who recognized the value of federal drug controls.

C. DOUGLAS DILLON, 65, Secretary of the Treasury from 1961 to 1965 and now an investment banker on Wall Street. A friend of Rockefeller's from school days, he took part in forming the Office of Strategic Services (predecessor of the CIA) during World War II. As Under Secretary of State, he helped conduct the false cover story that Francis Gary Powers' U-2 reconnaissance plane was merely on a weather-scouting flight when shot down by the Soviets in 1960.

ERWIN N. GRISWOLD, 70, a former dean of Harvard Law School (1946-67) currently practicing law in Washington. As U.S. Solicitor General, a post he held from 1967 until 1973, Griswold presented the Government's unsuccessful Su-



THE NATION

preme Court case against publication of the Pentagon papers. He also argued before the Supreme Court that the Army's surveillance of civilians from 1967 to 1970 was legal, though "inappropriate." But Griswold refused to argue the Nixon Administration's appeal of a court decision requiring court orders before domestic radicals' telephones could be tapped. After that, he was forced to leave his job.

JOSEPH LANE KIRKLAND, 52, secretary-treasurer of the AFL-CIO and President George Meany's right-hand man. Kirkland is known in labor circles as a skillful behind-the-scenes negotiator.

RETIRED ARMY GENERAL LYMAN L. LENNITZER, 75, chairman of the Joint Chiefs of Staff in 1960-62, who retired in 1969 after serving for six years as Supreme Allied Commander in Europe.

RONALD REAGAN, 63, former film star, who stepped down this month after eight years as a conservative Republican Governor of California.

EDGAR F. SHANNON JR., 56, who retired last year as president of the University of Virginia, where he earlier had taught English and specialized in Victorian literature.

As staff director of the commission, Ford settled on David W. Belin, 46, a Des Moines lawyer who served as a counsel to the Warren Commission during its investigation of the assassination of President John F. Kennedy. In 1968 Belin was chairman of Lawyers for Nixon-Agnew.

The CIA commission was to begin its inquiry this week by meeting with CIA Director William Colby, former Directors Richard Helms and James Schlesinger and Secretary of State Henry Kissinger, who heads the National Security Council, which oversees the CIA. There will be no lack of questions to ask: fresh revelations about the CIA continued to come out. James T. Devine, former head of the Justice Department's Interagency Domestic Intelligence Unit, told reporters that in 1970 he asked the CIA to keep watch on 9,000 U.S. radicals while they were on trips abroad. Among them were members of the Black Panthers, the Weathermen and the Students for a Democratic Society. Devine's unit wanted to know whether they were getting foreign help and training in sabotage. A CIA spokesman denied that the agency ever acted on the request and claimed that the list was destroyed last year.

In another development, the Washington Post reported that the CIA secretly read the mail of Meany and two of his senior officials during the 1950s to monitor the flow of covert U.S. funds through the AFL-CIO to anti-Communist trade unions in Europe. Both the AFL-CIO and the CIA insist that there never was such a relationship between them. Still, reports of the monitoring increased suspicions about the CIA's activities, adding to a sense of uneasiness that Ford's commission hopes to remedy.

THE PRESIDENCY/HUGH SIDY

Another Look at the CIA

Richard Helms, currently our Ambassador to Iran, was around Washington last week, a shadowy figure in the corridors of power. The former head of the Central Intelligence Agency was once again defending himself and the agency against charges of overstepping authority. Helms, now 61, moved about in the best traditions of his earlier trade, seeing few people, saying nothing, offering only a fleeting glimpse of his thin frame to newsmen.

In 32 years of Government service, it has been his lot to contend secretly with the real enemies of the U.S., knowing that at any time he might be destroyed by suspicions and accusations that he could not fully answer, ones perhaps made by the very people he sought to protect.

Nobody who has been that long in the spy business can be a saint. Helms knows his list of errors and misjudgments better than anybody else. At the same time, many of his successes and triumphs are not known and never will be. But the current charges of massive surveillance of American citizens, a kind of pointless but relentless assault on privacy, still do not add up. Helms' life has been dedicated in one way or another to opposing the abuse of power, outside and inside the U.S. Maybe some place, some time, something went wrong. If so, it is not on the record yet.

Helms sat at Lyndon Johnson's Tuesday-lunch-table, where the big decisions were made, and one of the handful of regulars there has said that it was Helms who kept them all honest. When L.B.J. would begin to perceive the world as he wanted it to be and not as it was, Helms would often speak up and say: "Just a minute, Mr. President, that is not what we have found."

It was in 1967 at that same luncheon table that Johnson began to order the CIA to pay more attention to the Viet Nam War protest groups and their foreign contacts. Johnson was convinced that the Communists were pouring money into the antiwar movement in the U.S. Helms kept going back to Johnson and telling him that it was not so, that the CIA could not find the connection. One day Johnson wagged his big finger at the men around him and complained: "I just don't understand why you can't find out about all that foreign money that is behind those war protesters."

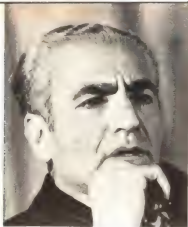
There was the time Helms and L.B.J. had a shouting match outside the Oval Office. Johnson had made up his mind how a certain situation had come about. Helms told him it was not so. Helms would not yield, and though Johnson walked away from that encounter sore, he developed new respect for Helms.

Nixon came to the White House with a deep distaste for the CIA. He blamed the agency in part for his presidential defeat in 1960. The CIA, Nixon told his close aides, had aided John Kennedy's candidacy with phony figures about the missile gap between the U.S. and the Soviet Union.

Then came the attempts by the White House to drag the CIA into Watergate. Helms got the signal immediately. Nixon was still distrustful of Helms, and so the efforts were directed at Lieut. General Vernon Walters, Helms' deputy and Nixon's friend. Helms' strategy was to pinch off this rise without causing any trouble for the agency and/or any public flap. His reward was to be summoned to Camp David after the 1972 election and told by Nixon that he was going to be replaced as director. There was little doubt in Helms' mind that his resistance on the Watergate affair was behind the move.



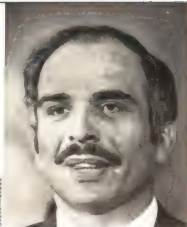
L.B.J. & HELMS AT WHITE HOUSE IN 1968



SHAH OF IRAN



EGYPT'S SADAT



JORDAN'S HUSSEIN

THE WORLD

MIDDLE EAST

Visits, and Voices of Hope

Cairo and Jerusalem have often been on the same diplomatic wave length, but the words emanating from the two capitals have usually been bellicose or scornful. Last week their moods meshed again but, for a change, the tone was optimistic. Israeli leaders praised Egyptian President Anwar Sadat for the way he has switched home-front priorities from war planning to such economic goals as the reopening of the Suez Canal this spring. "If this tendency grows," promised a key Israeli Cabinet minister, "we will concede a lot, although we will not be squeezed."

In Cairo, Egyptian leaders who in December had damned Israeli proposals for further disengagement in Sinai were having kinder thoughts in January. They surmised that Israeli Premier Yitzhak Rabin and Foreign Minister Yigal Allon had initially put together an unacceptable package in order to mollify Israeli hawks and were now ready for serious bargaining. "The time is ripe for continued diplomatic efforts to bring peace to the area," said Egyptian Information Minister Ahmad Kamal Abul-Magd. "Cairo is keeping all bridges open."

Bird Calls. After the warlike words that have ricocheted through the Middle East in recent months, such hopeful statements were like bird calls on a battlefield. The optimism was underscored last week by an unusual series of high-level conferences in the area. Soviet Party Leader Leonid Brezhnev may have canceled his Middle Eastern trip for real or diplomatic reasons of health (see story page 35), but he was scarcely missed. The Shah of Iran, intent on reinforcing Arab ties, flew to Amman for two days with Jordan's King Hussein and on to Cairo for five more days with President Sadat.

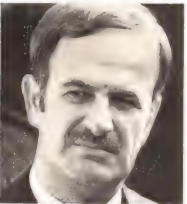
Syria's President Hafez Assad and Lebanon's President Suleiman Franjeh met briefly in the Lebanese town of Chitoura, a honeymoon resort that is the local equivalent of Niagara Falls. The setting was significant: though their discussions concerned the situation with Israel, the meeting was the first formal summit between leaders of the two often contentious neighbors since 1947. Franjeh reportedly refused to allow Syrian troops inside his country short of an all-out Israeli assault, and agreed only to "military coordination" with Damascus. Even Israeli diplomats decided that the meeting had temporarily lessened tension along the northern border.

Raise Funds. Saudi Arabia's King Faisal, a key figure in Middle East peace moves (TIME MAN OF THE YEAR, Jan. 6), was also scheduled to visit Damascus, Amman and probably also Cairo this week. In advance of his trip, the Saudi state radio announced a \$756 million contract with the U.S. in which the King will buy 60 U.S. jets. The deal presumably would reinforce U.S.-Saudi relations, which are essential for peacemaking in the area. Israeli Foreign Minister Allon flew off once more to the U.S., ostensibly to raise funds for Israel, but mainly to check with U.S. Secretary of State Henry Kissinger about ways to turn all this hopeful talk into specific action.

About the only other thing that the Middle East needed in the way of peripatetics was another series of shuttle-diplomacy flights by Kissinger, similar to those that paved the way for disengagements last year in Sinai and on the Golan Heights. Despite Arab anger at the Secretary's much-publicized statement that the U.S. would not absolutely rule out the use of military force against the oil producers (see following story),



ISRAEL'S ALLOAN



SYRIA'S ASSAD



LEBANON'S FRANJEH

THE WORLD

such a visit, perhaps early in February, seems increasingly possible.

Brezhnev's decision to postpone his Cairo trip improved peace prospects, since it left the way clear for more Kissinger-style bilateral negotiations before a resumption of the Geneva Conference. Even though Cairo and Jerusalem are seemingly closer in their views on the topics for the next stage of negotiations, it will take delicate diplomacy by the Secretary to bring them together. Israeli Premier Rabin last week, in an interview with the Paris daily *Le Figaro*, announced that he was willing to return the strategic Mitla and Giddi passes in Sinai to Egypt—in return for a peace treaty. Israel has also indicated that if alternative oil supplies can be guaranteed by the U.S., it will hand back the Abu Rudeis oilfields along the Gulf of Suez. Egypt, for its part, shows new willingness to sign a longer-term cease-fire—providing such an agreement might lead to a final peace treaty—and to allow nonmilitary Israeli cargoes to pass through the Suez Canal aboard non-Israeli ships after the canal reopens in the spring.

Even if snags between Egypt and Israel can be worked out, however, Kissinger has still found no solution for the most serious obstacle to successful second-stage disengagement talks. The Sinai negotiations are inextricably tied to similar discussions over the Golan Heights. For the sake of Arab unity, Sadat cannot afford to get too far ahead of Syria, and the Israeli-Syria situation still seems hopelessly bogged down. Israel demands guarantees of border security, along with political recognition from Damascus, before it will hand back any more of the Golan Heights. Assad, so far, is unwilling to recognize Israel. Unless the Israelis pull back farther on the Golan, moreover, he is unlikely to accede to another six-month renewal of the United Nations peace-keeping force that is separating the belligerents on the Heights when the present U.N. mandate expires in May. Israel already regrets giving back the provincial capital Quneitra in the first round of negotiations and is resisting the six- or seven-kilometer pullback that the U.S. has trial-ballooned as a second stage.

Bombing Villages. Another trouble spot is the Lebanese-Israeli border. Palestinian guerrillas have frequently crossed it to attack Israel, while Israeli forces have retaliated by bombing, shelling and raiding Lebanese villages that they claim have provided the Palestinians with shelter. In the past year, more than 100 Lebanese civilians have been killed or wounded while 58 Israelis have been killed by Palestinian guerrillas. Is-

raeli Defense Minister Shimon Peres last week accused Lebanon of letting more Palestinians enter the country from Syria armed with Soviet-built antitank and antiaircraft missiles.

Despite Iran's growing eminence as a military power in the Middle East, the Israelis were not disturbed by the Shah's tour, even though he joined Hussein in demanding the return of East Jerusalem to Arab control. "We know the Shah," explained one Israeli government spokesman. "We do not pay attention to what he says but what he does, and what he does has given us no cause for alarm." Actually the Shah was trying to improve Iran's relations with the Arabs, who worry about his military domination of the Persian Gulf and are unhappy about his continuing border battles with Iraq, a staunch ally of Syria. In both Amman and Cairo, the Shah offered aid to his hosts. With U.S. approval, he presented Hussein with a squadron of F-5A fight-



KISSINGER AT RECENT PRESS CONFERENCE
Stating the obvious triggers an uproar.

ers being phased out of the Iranian air force for newer U.S. jets. In Cairo, the Shah's experts worked out final details of a massive billion-dollar Iranian investment in Egyptian petrochemicals which will provide sorely needed fertilizer for both domestic use and export as well as plastics and synthetic fibers.

For Egypt the Iranian financial aid was particularly welcome. The country is badly battered economically; one of the principal reasons why the Egyptians would have welcomed Brezhnev would have been the chance to renegotiate Soviet debts. The total is a closely guarded secret in Cairo, but it has been estimated to range as high as \$7 billion. Cairo is anxious for a Sinai settlement because it will generate Suez Canal revenues of at least \$390 million a year and also obviate a badly needed \$6.5 billion bbl. of oil annually if the Israelis return Abu Rudeis.

Pressure for economic improvement is mounting; left-wing Cairo university

students demonstrated again last week for better conditions, and some workers joined them. Sadat has ordered extra supplies of wheat, meat and cotton cloth to be distributed, but even that is not enough. "The real problem," one leftist intellectual Cairene told *TIME* Correspondent Wilton Wynn last week, "is the deterioration of the economy. These troubles are not plots masterminded by some Marxist. The real generalissimo is hunger." That is one generalissimo who could be defeated by a Middle East peace—but who would surely win if the area returned to war.

The Intervention Issue

Such is his impact on international affairs that almost anything said by Henry Kissinger is bound to attract widespread attention and comment. Last week—perhaps inadvertently, perhaps not—the Secretary of State managed to trigger a worldwide uproar. In a lengthy *Business Week* interview, Kissinger responded to a question about possible U.S. military intervention against the oil producers by cautiously noting that this would be "a very dangerous course." But then, using a complicated—not to mention cryptic—triple negative, he added: "I am not saying that there is no circumstance where we would not use force. But it is one thing to use it in the case of a dispute over price, it's another where there's some actual strangulation of the industrial world."

Although the remark on possible intervention was just a very small part of a lengthy interview, it was picked up and headlined by newspapers and wire services around the world. Standing alone, the statement almost seemed as if Kissinger were already mobilizing troops. The reaction was immediate, emotional and sharply negative. "A colonialist enterprise doomed to failure," thundered Algerian President Houari Boumedienne, reacting to his own reading of the Kissinger statement. "Gunboat policies," ridiculed *Pravda*, Egypt's President Anwar Sadat warned that the oil-producing Arab nations would blow up their wells rather than let them be seized by U.S. forces. Rome worried that American intervention might risk nuclear war with the Soviets. In London, political leaders of all parties were privately troubled by what they felt was Kissinger's flirtation with "brinkmanship." Only the Israelis expressed satisfaction. "It was a good statement," said former Intelligence Chief Haim Herzog. "It makes the Arabs think twice."

Doomsday Prospect. Under close analysis, the Kissinger statement did not seem to warrant such a reaction. In a sense, it merely expressed the obvious. It is hard to see how Kissinger could have ruled out military action absolutely under any circumstances. A sovereign power must retain the option of using force if and when its survival, or that of its essential allies, is at stake. "Any in-

dividual, or country, carries in the back of his mind the idea that if his life or livelihood is threatened, he will use all the means at his disposal to protect himself," observed Harvard Professor of Government Nadav Safran. Kissinger's remarks only repeated what he had said before on a "background" basis. They also were consistent with his earlier statements about the doomsday prospect facing the industrialized democracies of the West because of "economic strangulation"—that is, national bankruptcies and the possible collapse of representative government as a result of continued high oil prices or a new embargo.

Despite their public stance last week (taken to appease the Arabs), a number of European officials privately agreed with Kissinger. They acknowledged that if their economic situation became "extreme," they would not oppose U.S. mil-

itary action to avoid "actual economic strangulation." One major European government reportedly has already prepared a contingency plan to support U.S. intervention.

Contingency Plans. During the past year there have been dozens of seminars at universities and think tanks at which the pros and cons of American military action against the oil exporters have been discussed. Several armed forces institutes have held contingency planning sessions to which expert civilians were invited. Recently, some of the discussion has become public.

Perhaps the most exhaustive analysis in print of the possibility of U.S. armed intervention in the Middle East is an article by Robert W. Tucker in the January issue of *Commentary*. A professor of political science at Johns Hopkins University, Tucker has been a prominent advocate of a reduced U.S.

role in the world. Now, however, he argues that the U.S. ought not to rule out automatically "the meaningful threat of force."

While not actually advocating an invasion of the oil exporting countries, Tucker analyzes that possibility and concludes that it might be tried with much less risk than is widely assumed. He believes that U.S. forces—in a quick strike—could take control of 40% of the world's proven petroleum reserves by seizing a narrow, 400-mile coastal strip along the Persian Gulf, running from Kuwait through Saudi Arabia to Qatar. Tucker notes that because this militarily unprotected area "has no substantial centers of population and is without trees, its effective control does not even bear remote comparison with the [American] experience of Viet Nam in combatting guerrillas."

But would the Soviets allow the U.S.

needs, especially since it is doubtful that all members of OPEC would participate in a retaliatory embargo. Tucker believes that Venezuela and Iran, for example, would probably continue pumping and shipping oil. He concludes that there are some troublesome uncertainties involving U.S. military action in the Middle East but, he adds, "the present course also has its uncertainties."

Experts—including those sympathetic with Tucker's general argument—question whether a military operation would go as smoothly as Tucker assumes. "Once you start a war, it is awfully hard to predict which way it will go," cautions Aaron Wildavsky, dean of Berkeley's Graduate School of Public Policy. In fact, landing troops and capturing the oil wells could be just the beginning. After that, according to a Pentagon aide, "Sabotage! Guerrillas!" Harvard's Safran notes that with the workers the U.S. would have to bring in to rebuild and operate the wells, plus the soldiers to protect and supply them, the action "could mean half a million troops. Then you would have to supply these guys with every cup of water they drank and every cucumber they ate."

Last Resort. Tucker may also be too sanguine about the Soviet response. While it is not likely, Moscow does have the capability of squeezing West Berlin and increasing tension all along Europe's East-West frontier. The Arabs' retaliation need not be limited to attacks on the occupying forces; terrorists could hit targets in the U.S. as well. Air and sea routes could be disrupted; American residents in Arab countries could be taken hostage.

Kissinger clearly stated that American intervention in the Middle East would be a last-resort step. But in the face of the outrage, far from retracting his statement that intervention remains a U.S. option, he even added that President Ford agrees with him. Ford last week reaffirmed that support (see NATION). Kissinger's remarks, therefore, may have been a calculated signal to the oil exporters, warning them that they cannot remain adamant much longer on high petroleum prices. So far there is no indication that this signal has been heeded in the Middle East, nor is there any evidence that there is much confidence anywhere that a policy of intervention could now succeed.

SOVIET UNION

The Brezhnev Syndrome

Long-simmering rumors about Leonid Brezhnev's failing health boiled up last week into a wild journalistic borsch of speculation. In Europe, the U.S. and the Middle East, newsmen variously reported that the 68-year-old Soviet party chief had been struck down by a staggering variety of ailments, ranging from abscessed teeth, bursitis, gout, influenza,



BEIRUT CARTOONIST'S REACTION TO KISSINGER STATEMENT

to take over the wells? Tucker's answer is that "the Russians simply do not have the interest [in that area] that we do" and thus would be "less prone to take the risks we would be prepared to take."

Moreover, the Soviet navy still lacks the capability to fight an effective battle for control of the Persian Gulf. Tucker concludes that while the U.S.S.R. probably would not directly challenge a U.S. military presence in the Persian Gulf, the Soviets would undoubtedly seek some gains from the situation; Russian occupation of Iraq is one distinct possibility.

As to the argument that the Arabs would destroy their oil wells if faced with occupation, Tucker reckons that the U.S. has the technology to restore production at damaged wells in less than four months. Meanwhile, existing oil reserves in the West would be sufficient to provide most of the world's energy

As to the argument that the Arabs would destroy their oil wells if faced with occupation, Tucker reckons that the U.S. has the technology to restore production at damaged wells in less than four months. Meanwhile, existing oil reserves in the West would be sufficient to provide most of the world's energy

perhaps the most exhaustive analysis in print of the possibility of U.S. armed intervention in the Middle East is an article by Robert W. Tucker in the January issue of *Commentary*. A professor of political science at Johns Hopkins University, Tucker has been a prominent advocate of a reduced U.S.

THE WORLD

pneumonia to heart attack and—most ominously—leukemia. The *Boston Globe* carried the electrifying tale that Brezhnev was momentarily expected to arrive at the Sidney Farber Cancer Center for treatment of this deadly blood disease. Despite Brezhnev's conspicuous non-appearance at Logan Airport, and vehement denials of the stories by directors of the Boston clinic as well as by ranking American diplomats, the rumors persisted. Inevitably, so did speculation that a power struggle was mounting in the Kremlin for Brezhnev's top job as General Secretary of the Communist Party.

Certainly there was no hard evidence to support the rumors that Brezhnev was on the brink of physical or political disablement. Nonetheless, a few faint signs and portents over the past two months pointed to a possible dim-

inished diplomatic disagreements, an unprecedented effort was made in Moscow to display Brezhnev as a sick man. Summoned to Moscow to be informed of the cancellation, the Egyptian Foreign and Defense ministers were given white surgical gowns before being received by Brezhnev, who was lying on a couch in pajamas. According to the Egyptian visitors, the Soviet leader told them that his doctor had ordered him to abstain fully from political activity.

At this point, some of the arcane details dear to Kremlinologists began to assume significance. It was noted that Brezhnev had not been photographed, televised—or seen by foreigners—since Dec. 29. The Kremlin's New Year's greeting to the Soviet people, which traditionally has been broadcast by a ranking party leader, was read by a radio announcer in 1975. These incidents could be explained by the death of Brezhnev's 87-year-old mother over the New Year holidays. Indeed, the Soviet press agency Tass reported that Brezhnev had attended the funeral last week. Nonetheless, there were such unusually heavy police and security precautions around Moscow's Novodevichi Cemetery that no Western observers were able to verify his presence. At week's end Tass had not yet released promised photos of the party leader at his mother's grave.

Two Failures. Knowledgeable Soviet-affairs experts in Washington and European capitals prudently dismiss the swirling speculation that Brezhnev's uncertain health presages his imminent retirement or a stage-managed ouster by his Kremlin competitors. Unless it is proved that Brezhnev is mortally ill, they believe that he will remain in office at least until the 1976 Communist Party Congress when, as one British foreign office expert put it, he might choose to bow out "in a spasm of glory."

Some Kremlin watchers are not so sure. British Sovietologist Leopold Labedz contends that any Brezhnev illness would be bound to touch off a power struggle in the Kremlin, if only because the Russians have never solved the problem of how to transfer authority in an orderly succession. According to this logic, competing factions in the Kremlin would try to exploit Brezhnev's physical weakness by pinning any recent policy failures on him as a pretext to seize power. Columbia University Political Scientist Zbigniew Brzezinski, as well as many Moscow-based diplomats, speculate that the party chief has already come under attack for two policy failures. One is his inability to improve Soviet relations with Egyptian Premier Anwar Sadat. Another is the wording of the U.S. trade bill, which Brezhnev initially hoped would grant huge dollar credits to the Soviet Union. As passed by Congress last month, it puts a paltry \$300 million limit to such credits. It also makes free emigration for Soviet citizens a condition of trade concessions to

the U.S.S.R. Foreign Minister Andrei Gromyko's public assertion in December that there was no such agreement, combined with a new crackdown on Soviet Jewish emigration (see below), suggested to some Kremlinologists that Brezhnev's authority may be under serious challenge.

Moscow's custom is to ignore foreign speculation about possible leadership changes. But last week Tass went out of its way to denounce the stories about Brezhnev as "groundless inventions." TIME Correspondent John Shaw cabled from Moscow that if Brezhnev is physically well, he can successfully defend his policies and his pre-eminent position. "Still, there is a sense of unease in Moscow; diplomats here feel that something is stirring in the Politburo, as if the ground had shifted slightly but unmistakably."



PARTY CHIEF LEONID BREZHNEV
A diminution of vigor.

inution of Brezhnev's vigor and perhaps even of his commanding position in the Kremlin. Some observers at the Vladivostok summit meeting with Gerald Ford thought that Brezhnev was not his usual doughty, ebullient self. Although he held up well during his initial seven-hour meeting with the U.S. President, he slept late the following day and looked peaked. In Paris for a state visit two weeks later, Brezhnev declined a sumptuous lunch offered him by President Valéry Giscard d'Estaing. On the other hand, the Soviet chief was sufficiently revived that night to give a dinner for French Communist Boss Georges Marchais.

In Pajamas. The mystery of Brezhnev's health was compounded by the medical and diplomatic ambiguities involved in the abrupt cancellation of his scheduled trip to Cairo. Although this was apparently related to Soviet-Egypt-



MIKHAIL SHTERN BEFORE HIS ARREST

Prisoners for Zion

"We are now moving toward an understanding with the Soviet Union that should significantly diminish the obstacles to emigration and ease the hardship of prospective emigrants."

—Henry Kissinger

After the U.S. Secretary of State made public his "understanding" with the Kremlin last September, hopes soared among Soviet Jews that harassment of would-be émigrés to Israel might come to a halt. Soviet denial of the existence of that understanding last month dampened those hopes—and rightly so. Despite passage by the U.S. Congress of a trade bill that gives the Soviet Union most-favored-nation status*

*Most-favored-nation status was already enjoyed by all non-Communist countries, plus Poland and Yugoslavia.

Refresh yourself.

Have a Salem.
Smooth, rich tobaccos
with refreshing menthol.
No hot, harsh taste.



King or Premium Length.

Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health

KING: 18 mg. "tar", 1.2 mg. nicotine,
SUPER KING: 19 mg. "tar", 1.3 mg. nicotine, av. per cigarette, FTC Report OCT, '74

**Now the American dream
doesn't have to become a nightmare.**



There could be as many as 20 million of them out there.

They lie rusting on streets and countryside like a pox on the American landscape.

Although they're 85% reusable metal, they've piled up for years.

Why? Simple economics: It often cost more to transport and process a hulk than it was worth.

But now, junked cars are moving faster than ever. Higher demand for steel and

growing concern for conservation have made steel scrap look better and better.

Helping tip the scales is something Union Carbide helped develop: the ultra high-power electric furnace.

It can make new steel using 100% scrap. It's cleaner than other furnaces and it uses less energy.

It's also relatively small, so it may be located economically near the source of scrap, reducing transportation costs.

Union Carbide created the electrode that makes possible this versatile furnace.

It's only one of our many contributions to the steel industry.

But it's helping the country get rid of a nightmare.

**UNION
CARBIDE**

**Today, something we do
will touch your life.**



THE SEAGRAM'S GIN FRENCH MARTINI.



Make your martini your
usual way, then add a couple
of drops of cognac.

Seagram's Extra Dry. The Perfect Martini Gin.

SEAGRAM'S EXTRA DRY GIN. SEAGRAM BOTTLED LTD. CO., N.Y. 50% ALC/VOL. (100 PROOF). SEAGRAM'S DRY GIN. DISTILLED FROM SWEDISH LARSEN.
BISQUIT COGNAC. BOTTLED & PRODUCED IN FRANCE. 50 PROOF. IMPORTED BY GENERAL WINE & SPIRITS CO., N.Y.

THE WORLD

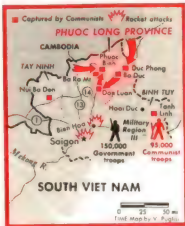
—a bill that was contingent upon Moscow's easing of emigration restrictions—there has been a marked upsurge within the U.S.S.R. of harassment of Russian Jews. Kissinger predicted earlier that congressional pressure on the emigration issue would prove to be counterproductive.

Arrests of prospective Jewish émigrés, as well as a sensational show trial in the Ukraine, indicate that there has been a change in the relatively conciliatory policy that had allowed 54,000 Jews to leave the country in the past two years. Only 20,000 Soviet Jews emigrated in 1974, compared with 34,000 during the previous year; last month only 900 Russian emigrants arrived in Israel—the lowest total for any month in four years. Since non-Jewish Soviet citizens are not allowed to emigrate freely either, Moscow's attitude toward Jews who want to leave is consistent, if hardly pleasant.

Whisked Away. Since Congress passed the trade bill, at least seven Leningrad Jewish activists have been picked up by the police in connection with a planned hunger strike protesting emigration barriers. Four *refuseniks* (Soviet Jews whose applications to go to Israel have been turned down). Georgi Sokoriansky, Iosif Blikh, Israel Varnovitsky and Vladimir Sverdlin, were arrested while on their way to Moscow for the strike. Physicist Lev Zhigun, a prominent Zionist and *refusenik*, was poisoned in a Leningrad cafe. An ambulance whisked him away to a hospital, where he was held incommunicado for ten days. Last week the Soviet Supreme Court denied the appeal of Mikhail Levvey, the former manager of a Moscow store who was sentenced to death last month for bribe-taking. A police investigation unearthed no evidence against him until Levvey prepared to emigrate to Israel.

Another case of recent repression involves Mikhail Shtern, 56, an eminent Jewish endocrinologist, who was sentenced on New Year's Eve to eight years at hard labor on trumped-up charges. During his pretrial interrogation, Shtern was told by a prosecutor that "the accusation is connected with your desire to emigrate, because the emigration of Jews discredits our country." At his trial in the Ukrainian city of Vinnitsa, the doctor was accused of taking bribes from his patients, involving 775 rubles (\$1,050), one chicken, two geese, three baskets of apples and 70 eggs. Actually, these were either repayments for hard-to-get medicines personally purchased by Shtern or small gifts from grateful patients. More than 3,000 Western physicians have protested the trial, and an international campaign is mounting to free him and 34 other victims of the anti-emigration drive, who are called "Prisoners of Zion."

Another show trial of a *refusenik* is scheduled this month in Leningrad. The accused is Vladimir Maramzin, who is



charged with disseminating his "anti-Soviet" writings; in fact, he is the author of nonpolitical books for children. If convicted, Maramzin is subject to possibly seven years' imprisonment. Maramzin was arrested last July, right after he visited a Soviet visa office where he applied for emigration to Israel. The secret police arrived in his apartment just as he was beginning to fill out the application forms.

Although similar acts of repression have taken place in the past, their recent intensification has greatly reduced the number of new requests for exit visas. But if the Kremlin should relent, there are at least 130,000 pending applications that have not been granted.

SOUTH VIET NAM

The Fall of Phuc Binh

On a gray dawn ten years ago, five U.S. soldiers were killed and twelve wounded during a Communist commando attack on Phuc Binh, the capital of Phuc Long province. That marked the Viet Cong's first offensive against the picturesque hill town of about 25,000 people located 75 miles north of Saigon on a bend of the Song Be River. Last week, after a violent six-day siege of the city, the Communists finally captured Phuc Binh. During the drive they also took a key crossroads and two airstrips, as well as every village and town in Phuc Long province (see map). Though the Communists have made considerable territorial gains during the last decade of war, Phuc Long is the first entire province they have conquered.

The Communist offensive began in mid-December, when the North Vietnamese 7th Division overran the district town of Duc Phong on Route 14. Gradually moving southwest, the Communist forces captured a series of government outposts, eventually pushing South Vietnamese troops into the outskirts of Phuc Binh. Just after the New Year, the North Vietnamese began a heavy shelling of Phuc Binh, although they al-



DEFENDING PHUC BINH
Ominous strategy.

lowed civilians to escape along footpaths to the South.

Saigon was unable to provide much help for the 2,500 to 3,000 troops trapped in the besieged city. Because of heavy clouds, South Vietnamese air force planes at first failed to get off preliminary air strikes. Once Saigon did get some A-37 fighter planes into action, the pilots refused to fly below 12,000 ft. out of respect for the Communists' imposing anti-aircraft arsenal. That, in turn, made it impossible for government helicopters carrying reinforcements to land within the city. In the end, the South Vietnamese were only able to put two Ranger companies totaling about 200 men into the battle. After two days of close fighting between outnumbered government troops and Communist tanks and sappers, Phuc Binh was in North Vietnamese hands. By the time Saigon's air force belatedly started to bombard the area, destroying what remained of the small lumbering town, the Communist attackers had already withdrawn into their well dug-in and camouflaged shelters in the surrounding forests. Some 1,500 civilians and several hundred soldiers on both sides are believed to have died in the battle.

Ominous Change. Though Phuc Binh itself is of little strategic importance to Saigon, the ease with which the Communists overran Phuc Long province was a major psychological defeat. "Its fall showed that the central government in Saigon is quite weak," conceded one State Department analyst. "A year ago it would have gone in to defend or recover the place." Equally important, the offensive against Phuc Long was an indication of an ominous change in the Communists' overall strategy in South Viet Nam. Since the Paris Accords, the Communists have concentrated on building up their hold on rural

THE WORLD

areas; now they seem ready to attack and conquer key administrative centers and major towns. Their apparent goal is to erode the political base of President Nguyen Van Thieu's Saigon government, forcing it eventually to resign or enter a coalition with the Provisional Revolutionary Government.

Within hours after the fall of Phuoc Binh, Communist forces drove a government garrison off the 3,000-ft. Nui Ba Den, or Black Virgin Mountain. Nui Ba Den is only seven miles from a far more important provincial capital, Tay Ninh (pop. 250,000). If the Communists can hold the mountain, they will be in a strong position to launch a Phuoc Binh-style artillery barrage on the city, thus making it the next target in the Communist effort to further weaken the Saigon government.

Saigon's reverses on the battlefield prompted President Ford to promise that he would ask Congress for \$300 million in supplemental funds for new weaponry for Saigon, increasing the current \$700 million already appropriated for 1975. Proponents of the request will surely argue that Saigon's shortage of ammunition and aviation fuel seriously hurt its cause in Phuoc Binh and will weaken its defense of other Communist targets. Administration spokesmen predicted that some emergency funds would be approved, but the heavily Democratic Congress, already preoccupied by recession, the oil crisis, and the confrontation in the Middle East, is bound to be reluctant to come once again to the aid of beleaguered South Viet Nam.

WEST GERMANY

"A Dangerous Man"

As practiced by well-informed West Germans, it has become something of a national indoor sport. The game: coalition politics, or trying to outguess your friends on the composition of the next government in Bonn. Any number can play, and currently many are doing so. The reason: Chancellor Helmut Schmidt's coalition of Social Democrats and Free Democrats is in such trouble, largely on economic issues, that some observers fear it may not survive until the next scheduled federal election in November 1976. Last week Bonn was buzzing with rumors that the Free Democrats, who have suffered a string of losses in local elections and are annoyed at Schmidt's increasingly highhanded way of dealing with them, might soon pull out of the coalition.

The chief beneficiary of a Free Democratic defection would be the opposition alliance of the Christian Democratic Union and its Bavarian affiliate, the Christian Social Union, who together have 234 seats in the Bundestag. Schmidt's S.D.P. has 242 seats and the Free Democrats have 42. The so-called Union parties would be invited to join

in a new coalition. If they refused, the result could be dissolution of the Bundestag and a call for an early national election the Christian Democrats might well win. The latest polls indicate that they would probably get 53% of the popular vote, compared with 38% for the S.D.P. and 7% for the Free Democrats.

Who would dominate a Christian Democratic return to power? The answer is none other than Franz Josef Strauss, 59, the ham-fisted Bavarian political boss who has once again made a phoenix-like return from the political grave. From his base as leader of the C.S.U., Strauss has emerged after several years of political eclipse to become one of the most important power brokers in Bonn.

Strauss's comeback began last Oc-

ting anti-Communist, he became the symbol of cold war intransigence.

Strauss has been a rallying point for Germans who still dream of reunification. His unconcealed hatred of the Soviet and East Berlin regimes made him the leading opponent in the Bundestag of former Chancellor Willy Brandt's *Ostpolitik*. He has not budged in his position. Interviewed recently in his Munich penthouse, he told TIME Correspondent Christopher Byron: "*Ostpolitik*'s trade deals are absurd. First we offer to sell the Soviets something; then we give them the money to buy it. That's a marvelous way of doing business, isn't it? We should concentrate on improving relations with our friends instead of our enemies."

Strauss's ideas are being more favorably received these days as West Germans seem to be moving politically rightward in reaction to the 4% unemployment and last year's 7% inflation that are following a generation of nearly uninterrupted prosperity. The worse things get for Germany, the better they get for Strauss, who is still viewed by many as a fiscal genius who kept the *Wirtschaftswunder* booming through the late 1960s.

Top Job. Three years ago Strauss, perhaps only half in jest, said, "I hope things never get so bad for the German people that they have to elect me Chancellor." Experts agree that conditions will have to get considerably worse if Strauss is to have a real chance of winning the top job. Despite the growing popularity of what he says, he personally remains intensely disliked and feared outside Bavaria as *ein gefährlicher Mann* (a dangerous man). That may be a reaction not only to his ultraconservatism but also to the authoritarianism he

demonstrated in his Cabinet positions. Yet in person, Strauss is a witty intellectual who can readily toss off Latin and Greek epigrams—in an incongruously thick Bavarian accent. His fondness for German *Sekt* is well known, and before his 1957 marriage to a brewer's daughter, he frequented Bonn's winehouses and Munich's cafés.

According to experts, Strauss trails far behind both Helmut Kohl, national chairman of the Christian Democrats, and Gerhard Stoltenberg, who is minister president of Schleswig-Holstein, the two front runners for the C.D.U. chancellorship nomination. Instead of becoming Chancellor, Strauss may have to content himself with being a kingmaker whose support will be necessary for anyone seeking the nomination. Then, if the C.D.U. wins, Strauss's prize could be the Foreign Ministry, a post he covets second only to the Chancellor's office.



FRANZ JOSEF STRAUSS

A new surge to the right.

tober when the C.S.U., under his leadership, captured 62% of the vote in the Bavarian state elections, giving it the largest majority enjoyed by any party in any German state assembly. Since then, to demonstrate that he can draw crowds outside his rural, conservative and Roman Catholic bailiwick in Bavaria, he has barnstormed into Lower Saxony, Schleswig-Holstein and even the working-class, traditionally left-leaning Ruhr. This week Strauss flies off to Peking—at the invitation of the Chinese—to re-establish his credentials in foreign affairs.

Strauss has no need to establish credentials in domestic matters. Since 1949 he has represented Weilheim in the Bundestag and held important Cabinet posts in previous governments, including Defense and Finance. A champion of law-and-order, an advocate of a militarily strong Germany, and an uncompromis-



INDIANS BEGGING BY ROADSIDE

BRAZIL

Death at Abunari Two

The scene: a Brazilian government outpost called Abunari Two, on the northern fringes of the Amazon Basin. There, recently, 27 Indians of the Waimiri and Atoari tribes emerged from the jungle. Ostensibly, they came to trade for food and medicine with Gilberto Pinto Figueiredo, an official of FUNAI, the government-run National Indian Foundation, but they were clearly angry about the building of new roads through their tribal lands. They came equipped with bows and arrows decorated with red macaw feathers, a symbol of war. Even after a supply of food and gifts arrived by plane, they remained dissatisfied and agitated. Early next morning, a fierce war cry brought Figueiredo rushing out of camp. As he approached Compidio, the Indian leader, he was fatally struck in the chest by two arrows. Before the skirmish was over and the Indians had retreated back into the bush, three other government officials lay dead.

In the past three months, Brazilian Indians have killed twelve people in this and other assaults against representatives of FUNAI, an agency that was set up

to protect the country's vanishing tribes. The attacks mark a desperate new stage in a struggle that began more than 300 years ago, when the Indians first resisted white men who were looking for gold, rubber and slaves in Brazil's vast interior. Just since the turn of this century, more than 96 tribes have disappeared in the face of white expansion; the country's Indian population, which may once have been as high as 4 million, is today less than 100,000.

The problem now is Brazil's highway-building program, which is lacing the vast Amazon region with roads, including the trans-Amazon highway stretching 2,843 miles from Recife on the Atlantic Coast to the Peruvian border.

Lost Refuge. Unfortunately, the Amazon Basin is the last refuge for tribes like the Waimiri and Atoari. "The Indians resent the speed and aggressiveness with which the road is being built," says João Americo Peret, a Brazilian Indian expert. "But since they can't confront the road-building machines, they take it out on the FUNAI people."

FUNAI has tried to pacify the Indians by moving them to new lands away from the construction, but the tribes' delicate social fabrics have often not survived. Last year, for example, the Kranhacore Indians of Mato Grosso state were moved to a plot of land away from their ancestral area but still only a few miles from the new road. Within ten months, Indian men were begging on the construction sites. Eventually, the government had to transfer the demoralized Kranhacore away from the construction sites to Mato Grosso's 13,750 sq.-mi. Xingu National Park.

Although Brazil has four national parks and 17 reservations set aside for the Indians, the tribes' future is gloomy. Except for a few dedicated Indianists in FUNAI, Brazilians on the whole have never cared much for the Indians, viewing them as embarrassing and obstructive Stone Age remnants in an increasingly modern state. The Waimiris and Atoaris understand only too well that modern Brazil, with its population of 100 million, will encroach ever more rapidly on Indian land. They know too that the trans-Amazon highway threatens to be more devastating than any of the slave traders or gold miners who upset their lives in the past.

MILLITONLS

Engaged. Former New York City Mayor Robert F. Wagner, 64; and Phyllis Fraser Cerf, 59, editor, author (*The Complete Family Fun Book*) and widow of Random House Founder Bennett Cerf. The marriage will be his third, her second. Wagner is a political adviser to New York Governor Hugh Carey, and Cerf is preparing a political and governmental guide to New York as a fund-raising vehicle for Carey.

Died. Bob Montana, 54, cartoonist-creator of the comic strip *Archie*, of an apparent heart attack while cross-country skiing, near Meredith, N.H. Montana sketched *Archie* for more than three decades, peopling the strip in part with characters drawn from his New England high school acquaintances.

Died. Richard Tucker, 60, Metropolitan Opera tenor since 1945; of a heart attack while on tour; in Kalamazoo, Mich. (see MUSIC)

Died. David M. ("Carbine") Williams, 74, inventor of the M-1 rifle used by U.S. troops in World War II; of bronchial pneumonia; in Raleigh, N.C. Williams designed the gun in the tool shop of a North Carolina camp for incorrigibles where he was imprisoned after pleading guilty to killing a deputy sheriff. His inventions eventually made him a millionaire and the subject of a 1952 movie starring James Stewart.

Died. Pierre Fresnay, 77, cinematographer and onetime member of the Comédie Française; of heart disease; in Neuilly-sur-Seine, France. Hailed at his death as the greatest French actor of his generation, Fresnay starred in some 70 films. His most renowned role, in Jean Renoir's *Grand Illusion* (1938), placed him opposite German prisoner-of-war camp Commandant Erich von Stroheim as anachronistically gallant aristocrats trapped in the horrors of World War I.

Died. Burton K. Wheeler, 92, isolationist Montana Senator (1923-47); in Washington, D.C. First elected in 1922, Democrat Wheeler earned a national reputation with his aggressive investigation of the Teapot Dome oil scandal, later became an ardent New Dealer. He broke with F.D.R. over the President's plan to enlarge and pack the Supreme Court, earning a reputation as "the man who whipped Roosevelt." As World War II engulfed Europe, Wheeler became an America Firster, charging that aid to besieged Britain would drag the U.S. into a fight that would "plow under every fourth American boy." Defeated for renomination in 1946, he continued to practice law in Washington, D.C., until his death.

FIGUEIREDO (CENTER) WITH TRIBESMEN WHO LATER MURDERED HIM





CATHERINE DENEUVE VISITS ESMERALDA'S EROTIC SALOON SHOW IN PARIS

It is not much fun being dubbed the most beautiful woman in the world, as Garbo found out. The current titleholder is Paris-born **Catherine Deneuve**, 31, who endures from flick to flick, her glory undiminished by bad scripts and usually poor direction. Recently she arrived in the U.S. to start filming Robert Aldrich's *Hustle*. But before she left Paris, she allowed herself to be used to promote her latest movie, *Zig-Zig*, by posing in Esmeralda's, an erotic saloon in Pigalle, one of the few locales where a girl can get a laugh these days.

Very soon now the cool campus scene may hot up again. **Ron Ziegler**, Richard Nixon's press secretary, is going on the college lecture circuit. Federal funds for his \$42,500 salary will stop in February, and Ziegler has signed up with the Colston Leigh lecture bureau for a tour that may prove to be a dry run for Nixon's own emergence from seclusion. Ziegler has not yet said what he will talk about, but critics of his past performances cannot wait to watch him taking questions from the floor.

Looking resplendent in furs, **Sophia Loren**, 40, went skiing in France's Haute-Savoie with husband **Carlo Ponti**, 61, and sons **Cipi**, 6, and **Dado**, 2. Sophia avoided going downhill, however, preferring cross-country, and did so well that she extracted praise from her instructor. "Comme elle est belle," an on-looker was heard to say, more in tribute to Sophia than to her skiing. The

rest of the family cautiously kept off the slopes. *Après-ski*, Cipi was Mama's favorite escort, going so far as to take Sophia to a restaurant for fondue.

"That's a fine woman!" exclaimed an admiring Sherlock Holmes onstage at Broadway's Broadhurst Theater as the redheaded villainess was led from the mayhem. Then he added quietly, "Yet her crime is commonplace." In the audience, another redhead was creating her own kind of fuss. In a reclusive mood, **Katharine Hepburn**, 65, hid her face from autograph seekers at intermission. When an amateur photographer tried to snap her, she shooed him away so fiercely that he fell. "I really thought she was going to belt him," said one impressed observer, who earned a growl from Kate: "Beat it, buster."

Is Jackie Kennedy Onassis going broke? Was she casting about for a way to boost her income when, unasked, she sent in to *The New Yorker* a 1,500-word piece on New York's new International Center of Photography? It was published in the Jan. 13 issue of the magazine—unsigned, like all "Talk of the Town" contributions. Editor William Shawn did not divulge her fee, saying only that she would be paid at "regular rates, which run into the hundreds rather than the thousands." The same week Jackie reaped \$3,000 from the sale at a Manhattan auction house of some old furniture, including President Kennedy's chair from Choate School and John



SOPHIA LOREN ON SKI VACATION
KATHARINE HEPBURN AT THE THEATER

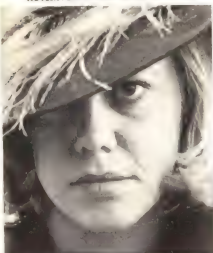
Jr.'s discarded desk. When the gallery owner went to select the furniture for the sale, he rejected several pieces. Disappointed, Jackie said: "I wish you'd take more. What's left I'm going to give to the thrift shop."

Was it a dream or a nightmare? Ballet Patron **Rebekah Harkness**, 59, was sure she had married **Dr. Niels H. Lauenroth**, 48. She remembered a quiet ceremony at her Sneden's Landing, N.Y., home last October. But when she publicly confirmed the happy event recently, the 6-ft. Danish-born gynecologist ungallantly nipped the nuptial tale. Pressed, he said gruffly, "It's all done for tax purposes." Meanwhile, Rebekah was rhapsodizing about her bridegroom. "He loves ballet," she sighed. "I frankly think he would have liked to dance. He could have been good. He is built well enough."

Why did officials of Washington's Smithsonian Institution keep **Erica Jong**, 32, standing on tiptoe so long if they were not going to kiss her? Perhaps, when they invited her to speak in one of their monthly lecture series, they had

not read her bestselling novel, *Fear of Flying*. A raunchy, anarchic account of a woman's sexual escapades conducted with a *Tom Jones* lusty disregard for convention, taste or conscience, *Flying* is so uninhibited that it sweeps aside those more tortured analysts of women's state, Joan Didion and Sandra Hochman. It is also an ICBM in the war between the sexes. Someone at the Smithsonian must

NOVELIST ERICA JONG BEFORE THE LECTURE



KEVIN MAZUR

Like many other ardent Irish patriots, Actor **Richard Harris** prefers to live abroad. That does not mean he is not fighting for the cause. There he was in Nassau, when he learned that former British Prime Minister **Edward Heath** was spending New Year's in the Bahamas. Harris (with Producer Kevin McClory) rushed into print with "A Message of Goodwill to the Right Honorable Edward Heath," a full-page ad in the local paper accusing Heath of lolling on the beach while people were still jailed in Northern Ireland. Heath was annoyed enough to denounce Harris at a press conference as a friend of the I.R.A. He then climbed aboard a plane and flew to Jamaica. Harris called a counter-press conference, denied membership in the I.R.A. and then went back to the beach to beat up a starfish.

The future of Anglo-American relations may be shaky. **Charles, Prince of Wales**, 26, revealed last week in an interview with the London *Evening Standard* that the king he admires "enormously" is George III. "A much maligned monarch—particularly by American historians," was Charles' verdict. Actually, George may not have been mad at all, says the prince, but had a "great sense of humor." Praising his ancestor's devotion to duty, Charles add-

RAPID TIMES GILTON PICTURE—GROSS

KEVIN MAZUR



KING GEORGE III & HIS ADMIRING DESCENDANT PRINCE CHARLES



have finally caught Jong's drift, because she was twice begged to keep her talk clean. Enraged by such censorship, Jong dumped the Smithsonian and last week talked instead at D.C.'s Mount Vernon College, delivering a speech that would have made the Smithsonian's dinosaurs rattle with fright. Before reading her poem "Becoming a Nun," Jong explained: "This is about all those times when you decide you're going to give up sex. This always precedes a debauch by about three days."

ed, "A lot of people would regard this as boring, because he didn't do what Charles II reportedly did, and have affairs with all sorts of delectable ladies, which is always much more glamorous than a chap who works hard and is a conscientious monarch—and is also more discreet." Does this mean George III was a secret swinger?

Once again, the U.S. tax court has struck a blow for the poor, pawed-at, imposed-upon American. Recently, it

threw out an IRS decision to tax the John D. Rockefeller Cemetery Corp., which was endowed with \$200,000 by **John D. Rockefeller Jr.** to ensure his descendants as much comfort below ground as above. The nonprofit corporation met with all the law's requirements concerning tax exemption. Still, claimed the IRS, with visions of laying hands on just a little more of the living Rockefellers' estimated \$1,033,988,000 wealth, Congress had intended only public necropolises to be tax-exempt. "Grasping at straws" was the way the tax court described the IRS argument. Now no Rockefeller need fear potter's field.

Homeless refugees, the **Maharanees of Baroda** and her son **Princey** arrived in Monte Carlo from India 16 years ago. **Prince Rainier** kindly made them citizens of tax-free Monaco, and in next to no time they were busy teaching the natives how to play marbles with emeralds the size of tiger's eyes and drink Dom Pérignon from Waterford crystal mugs. But this was poverty to a family that at one time had a fortune of more than \$300 million, and stifling to a woman who once flew the Atlantic to telephone India from London because she had difficulty making the call from the U.S. As the money ran out, the maharanees, now 54, had to pawn her jewels. But burdened with annual interest payments of \$200,000, she was recently forced to sell them at a secret auction. The gems went for \$4 million, which should keep the maharanees in Beluga gray for a couple of years. Her reputation for extravagance, however, was ruined. Said one casino habitués empathetically: "You can hide good luck but not misfortune."

STYLLUS/STONE

STYLLUS/STONE



PRINCEY & HIS MOTHER, THE MAHARANEES OF BARODA

Is Faisal a Villain or Statesman?

To the Editors:

Your choice of King Faisal as Man of the Year was indeed an excess of poor judgment. If the world (and particularly the press) should have learned anything about the Arab mentality, it is that publicity and recognition only encourage the Arabs' violence and blackmail.

From Sirhan to Munich, from hijacking of planes to highway robbery at the gas pumps, the more notoriety they receive, the more innocent blood they shed and the harder their bargaining position on oil becomes.

I doubt that your choice even sits well with the millions of poor, underprivileged Arabs who watch while Faisal leaves them behind on their camels as he speeds away with his entourage of Cadillacs and Lear jets.

TIME fell short of its usual perception in selecting a villain at a time when the world is in such desperate need of a few heroes.

Ferne Kron
Chicago

While peace in the Middle East will not necessarily lead to a price reduction of oil, it would enormously reduce the obstacles to consumer-producer cooperation. A far more important consideration is that the alternative to progress toward peace is the likelihood, if not the inevitability, of a new war. The consequences could be nuclear, and might well involve the U.S. and the U.S.S.R.

OPEC's exercise of its new power for political as well as economic purposes is a strategy learned from the West, including the U.S. The wonder is that it has been so long in coming and that it has been exercised (so far) with comparative restraint. It is encouraging that the producer governments have been urging a cooperative solution of the "recycling" problem. In contrast, the tendency far too prevalent in this country has been to emphasize an adversary relationship, with an undertone of threat. For a great nation comparatively well off, this is as unbecoming as it is ill-considered and dangerous.

Given the restraint, moral leadership and huge economic leverage of King Faisal stressed in your article, one is led to ask if Israeli leaders might not find in him the key to security and peace with the Arabs. If his terms are in fact no more than an implementation of Security Council Resolution 242, which Israel signed in 1967 along with Egypt,

Jordan, the U.S.S.R. and the U.S., then evacuation of the territories occupied in the 1967 war could be the basis for Arab recognition of the right of Israel to exist behind recognized frontiers, and for a stable peace. This has been the Egyptian position explicitly affirmed since 1971. It would seem to be an opportunity Israel cannot afford this time to ignore.

Richard H. Nolte, Executive Director
Institute of Current World Affairs
New York City

An Arabist, the writer was appointed Ambassador to Egypt in 1967. His service was interrupted, however, because diplomatic relations were severed as a result of the Six-Day War.

Never before in history has such an immense transfer of wealth and power come about so abruptly as in the past two years. For the first time in memory our very life-styles are affected by the decisions of a handful of foreign rulers. King Faisal is definitely the Man of the Year.

Steve Shelton
Atlanta

Faisal has become the most important Arab leader in modern times. He symbolizes the glorious era of the Arabs when the legendary Saladin, Haroun al-Rashid and Tariq ben Ziyad were so linked with the history of the West.

David T. Mizrahi
Editor, MidEast Report
New York City

You've got to be kidding! Bum of the Year would be more like it. I just got a double whammy in the mail today—my electricity and home fuel bills.

George Chebba
Bangor, Me.

I cannot comprehend the moral basis upon which you select Man of the Year. Here is a person who blatantly manipulated economies and crises throughout the world. In a society where morals are consistently sold out to the highest bidder, you rank with the best of the offenders.

Pamela Lechtman
Ventura, Calif.

Your Man of the Year selection is as popular as the Pardon of the Year.

Gabe Gibbons
Poughkeepsie, N.Y.

Congratulations on a Man of the Year selection whose political and social immorality parallels only Watergate.

Carolyn Walker
Sacramento, Calif.

So, King Faisal was your choice this year because he met your criterion as "the person who has most significantly affected—for good or ill—the course of events."

In that case, who got the award in 1939? Adolf Hitler?

Peter Culhoun
St. Paul

Yes (TIME, Jan. 2, 1939).

Investigating the CIA

President Ford's panel to investigate the CIA's involvement in illegal domestic spying is more "blue chip" than "blue ribbon" [Jan. 13].

Vice President Rockefeller has been a hawk on issues like Viet Nam and nuclear testing. Ronald Reagan's record is even more closely associated with imperialistic ventures. All eight men are part of the power structure that the CIA was trying to protect. The committee contains no representatives of the peace movement, no women and no members of ethnic minorities.

Don Luce, Executive Director
Clergy and Laity Concerned
New York City

In light of the exposure of the CIA's illegal investigations, I can only surmise that now that America is no longer the land of the free, it had better be the home of the brave.

Mrs. John C. Stewart
Weston, Conn.

The Allure of Nonsense

I read with both pleasure and sadness the review of Charles Berlitz's *The Bermuda Triangle* [Jan. 6]. I read it with pleasure because it was cool, clear and well reasoned. I read it with sadness because it will only serve to stimulate sales of the book.

The vast mass of humanity is, alas, attracted by nonsense. To point out that it is nonsense is merely to reassure people. They will roll in the dung heap all the more merrily for knowing that it is the real thing. The Roman philosopher Seneca said, "Man is a reasoning animal." What evidence he had for that assertion no one knows; certainly none has surfaced in the 19 centuries since his time.

To be sure, a few individual human beings are reasoning animals. You can tell who they are by the fact that they are denounced by everyone else every time they open their mouths. As an ex-



JAMAICA

The near place—with faraway pleasures.



70 years ago, Dr. McCatty spread the word these waters were healthful. Since—a lot of people have taken “the cure” at Doctor’s Cave Beach.

Buoyant clear blue water and white sands are good for what ails you.

(Warm 80’s help, too.)

Back in ’06 when McCatty saw his private beach had superb qualities to soothe humans, he made it available to others.

Soon it lured the world.

Today the doctor’s beach is our Famous Beach.

But we’ve also great “unknowns” to discover.

We have breathtaking beaches tucked at the ends of dirt roads (be adventurous in your rentacar).

Beaches with showery waterfalls splashing into the sea (delicious).

Beaches so spectacular they’re cast in movies (like James Bond’s).

A beach in the sea (Lime Cay) where you can snorkel, eat barbecue, dance!

Early 1900’s ads said: “Sunny Jamaica! Only 4½ DAYS from New York!”

Now in less hours, you can bask above.

For more of flying times, good times and other good beaches, see a travel agent or Jamaica Tourist Board.



The best news you'll hear all day starts every morning on Newsradio 78.

Wake up to WBBM Newsradio 78, and keep us tuned in as you go to work or as you go about your morning. Those Newspeople tell you what you need to know to get your day started.

Get all the latest news. Dale McCarren and Donn Pearlman anchor Chicago's most complete morning newscasts, backed by CBS News on the Hour.

Catch up on sports. Brent Musburger and Brad Palmer give you a complete rundown on yesterday's games, plus views and interviews on today's action.

Find out what the weather's going to be. WBBM's exclusive Weather Command brings the most complete forecasts including separate reports for northern and southern suburbs.

Get where you're going this morning. Our exclusive Computer Traffic Control helps you with the most comprehensive traffic information in town.

Add to all this John Madigan's Commentaries, Business and Financial News and special CBS features, and you've got quite a morning. Which is just the beginning of quite a day, when you listen to WBBM Newsradio 78.

WBBM NEWSRADIO 78

Know it all with Those Newspeople.

ample, count the denunciations that will rain down upon the head of your rational reviewer.

Isaac Asimov
New York City

The writer is a prolific author of science fiction and nonfiction. One of the most popular of his 158 volumes: Foundation Trilogy

Your article does a great disservice to the questions posed by the Bermuda phenomenon and related unexplained phenomena, and to the many intelligent individuals who are studying such questions. Some of the Berlitz speculations may seem like "farfetched science fiction," but men on the moon and atomic power were once farfetched science fiction too. In any case, it is doubtful that the Coast Guard would willingly admit the existence of something beyond their knowledge or their ability to investigate.

William Norris
Schenectady, N.Y.

The \$5 Million Question

Your article regarding "out-of-sight settlements" against insurance companies [Dec. 30] used as one example of injury judgments that may be getting out of hand the case involving Mutual of Omaha and Michael Egan.

Mutual of Omaha has paid out during the past ten years 25.6% more of its earned-premium income on individual and family-health insurance than the combined averages of the next 24 companies in the field. During 1974, Mutual of Omaha issued more than 9,000 benefit checks to disabled policyowners every work day. Of the millions of dollars we pay in income benefits each year, 95% goes to people who are not in the hospital. The only time a legal question is involved is when it appears that someone can return to work and therefore doesn't qualify for benefits. We had several reasons to believe that Egan could return to work.

Because we feel that the \$5 million in punitive damages awarded by the jury went beyond the basic question of whether Egan did or did not qualify to receive disability income, the case is being appealed.

C. Meade Chamberlin, Vice President
Mutual of Omaha
Omaha

Rehabilitating Jonah

I found your article on the Bible [Dec. 30] extremely interesting, but felt that Jonah and his whale came in for an undeserved beating. During the past 100 years, many animals have become extinct. Why should there not have been, all those years ago, a whale vast enough to be able to swallow a man alive? Perhaps some day we will find the remains of such a creature, and then poor Jonah will be vindicated.

The April 4, 1896, *Literary Digest* carried a story about a whale that demolished a harpoon boat in the Mediterranean. Two men were lost, but one was found alive in the whale's belly a day and a half after it was killed. James Bartley is said to have lived with no aftereffects, except that his skin had been tanned by his host's gastric juices.

R.S. Horne
Titusville, N.J.

John Denver Was a Hit

In the Economy & Business section [Dec. 9] reference was made to the Oct. 12 appearance of John Denver at the University of Tennessee. You erred on two points. There were 12,075 seats rather than 14,000 mentioned in the article, and every available seat was sold.

Contrary to your information, we found that Denver's universal appeal ensured a sellout. The reviews and the volume of compliments following the show marked it as one of the best we ever produced.

Kevin Majkut, Campus Entertainment
Board, University of Tennessee
Knoxville

Christmas Lessons

You had an article concerning a Houston department store offering a wide variety of unique Christmas gifts, e.g., a day's guitar lessons with José Feliciano for a mere \$14,500 [Nov. 25]. Were there any takers?

Raymond S. Schreckengast
Camp Hill, Pa.

Sakowitz sold one day with Peter Duchin at \$3,750 and eight three-day broncobusting lessons at \$230 apiece.

A Fly and Freud

"His interest in the drug was scientific, not sensual," you say referring to Sigmund Freud and his interest in cocaine [Jan. 6]. That is correct.

I knew my uncle well. (He was my mother's brother and he married my father's sister.) Freud's attitudes and actions have often been distorted by his detractors, the ignorant and the prejudiced. In fact, his character was impeccable, unimpeachable. He was warm, sympathetic, compassionate.

After college graduation in 1912, I traveled to Karlsbad in Austria to visit him. We lunched together in a small restaurant. I noted a fly walking on the tablecloth and attempted to swat it. He turned to me and said quietly, "Let the fly enjoy its promenade on the high plateau." How typical of his considerate attitude toward all things great and small.

Edward L. Bernays
Cambridge, Mass.

Address Letters to TIME, Time & Life Building, Rockefeller Center, New York, N.Y. 10020

ENVIRONMENT

The Silkwood Mystery

At 7:30 in the evening of Nov. 13, a white Honda automobile swerved off Oklahoma state highway 74 and crashed into a concrete culvert wall, killing Karen G. Silkwood, 28, its sole occupant. Silkwood's death had a far greater impact than most highway fatalities. It brought to light a bizarre mystery that has touched off a series of investigations. It also resulted last week in a special Atomic Energy Commission report about Silkwood and her contamination by one of the most dangerous substances known to man—plutonium.

Karen Silkwood was a 54-an-hour



PLUTONIUM WORKER KAREN SILKWOOD
Was she murdered?

technician at Kerr-McGee Corp.'s Cimarron River plutonium plant about 30 miles north of Oklahoma City. The facility makes plutonium pellet fuel rods for the breeder reactor, a second-generation nuclear power plant now being developed. Silkwood was one of the most active members of local 5-283 of the Oil, Chemical and Atomic Workers Union. She was deeply concerned about how plutonium was handled. And with good reason. Inhalation or swallowing of a few specks of the radioactive element can result in cancer. Exposure to slightly greater quantities can cause radiation sickness and death. Furthermore, an amount of plutonium about the size of a softball is enough to make an atom bomb.

Though Kerr-McGee installed safeguards to protect its employees from the hazards of plutonium, Silkwood was critical of the plant's health and safety procedures. Last September, in testimony before the AEC, she complained about unsafe working conditions. In early No-

ENVIRONMENT

vement, she became living proof of those dangers. On two consecutive days, as Silkwood was leaving work, sensitive plant monitors detected that she was slightly contaminated by radioactivity. She was promptly scrubbed clean. Later, she brought in urine and fecal samples; they proved to be radioactive. On a third day, the monitors clicked when she entered the plant; a subsequent investigation showed that her apartment had become contaminated too.

All the while, Silkwood continued to report to the union on safety problems in the plant, claiming definite instances of company sloppiness. At the time of her death, in fact, she was on her way to a meeting with a union official and a New York Times reporter to document her charges.

Murder or Accident. Union officials were suspicious about her fatal car crash; they called in an independent accident investigator, A.O. Pipkin of Dallas. After inspecting the skid marks and finding a telltale dent in one of the Honda's rear fenders, he concluded that a second car had forced Silkwood's auto off the road—thus implying that Silkwood might have been murdered. But the Oklahoma state highway patrol cited an autopsy showing that her blood contained traces of alcohol and methaqualone, which a doctor had prescribed as a sedative. To the police, it seemed evident that she had dozed off at the wheel. The FBI is pursuing the matter further.

Meantime, the AEC launched its own probe of working conditions at the plant. The commission's records showed that since Kerr-McGee started its plutonium operations in 1970, 17 safety lapses—in which 73 employees were contaminated—had been reported. The union produced a list of 39 additional allegations of sloppiness in plutonium handling. Then in mid-December, two new cases involving five persons were reported to the AEC: Kerr-McGee quickly denounced them as "contrived." Yet the incidents were serious enough to force the company to shut the plant for more than two weeks.

Last week the AEC completed its investigation. It found that only three of the 39 union allegations represented violations of the commission's standards, though another 17 had "substance or partial substance." The report pleased Kerr-McGee, but the union was "not satisfied." Environmental groups also pointed out that the AEC needed the fire rods and thus had a clear interest in keeping Kerr-McGee's plant in operation.

The most startling finding by the AEC was that Silkwood's contamination "probably did not result from an accident or incident within the plant." There were plutonium traces on her skin though no accidental release had occurred in the plant. In addition, tests showed that Silkwood had "ingested" plutonium. Furthermore, two urine samples were proved to have been con-



JAPANESE FISHERMEN TRYING TO MOP UP MIZUSHIMA OIL SPILL WITH PAPER
A disaster akin to despoiling Mount Fuji.

taminated after they had been excreted; this showed that the samples had been doctored by someone. The evidence thus suggests that Silkwood had purposely contaminated herself and had probably smuggled a minute amount of plutonium home from the plant. Why? Perhaps to embarrass the company and thus strengthen the union's bargaining position at negotiations late last November. Or perhaps Silkwood was emotionally unbalanced.

It seems clear that Kerr-McGee has not been as diligent as necessary in protecting its workers from plutonium. The union has nonetheless been overzealous in its allegations of carelessness by the company. And both the AEC and its private contractors need to exercise increased vigilance in guarding the plutonium against theft or misuse by unstable or conspiratorial employees. As for the cause of Silkwood's death, that remains as mysterious as ever.

Oil Shokku for Japan

To keep its economy healthy, Japan must receive one fully loaded supertanker every hour of every day. It must also get oil from the Middle East via the shortest route and then provide vast storage facilities for the vital fuel—all without undue environmental risk. Until recently, the Japanese were confident that they could transport and store their oil safely and efficiently. Now two serious oil spills have caused *shokku* (shock) and raised grave doubts on both counts.

One spill occurred last week when the 237,698-ton supertanker *Showa Maru* ran aground at the eastern entrance to the Malacca Strait between Singapore and Malaysia on the north and Indonesia on the south. The impact tore open the ship's bottom, and an estimated 20,000 bbl. of oil leaked into the water. The five-square-mile slick that formed first threatened to smear the sparkling white beaches of Singapore's Sentosa Island, then began drifting westward toward more open water.

The spill could not have come at a worse time or in a worse place. The Malacca Strait is a key short cut in the "lifeline" route followed by most supertankers on the long voyage from the Persian Gulf to Japan. Japanese officials had just completed a survey of ship traffic through the narrow, heavily traveled waterway. As the slick was spreading, they were meeting with authorities from the Strait nations to discuss the survey and consider new safety regulations for ship traffic. Now they fear that the oil spill may lead to new restrictions on supertankers in the Strait. If that happens, many of the tankers will have to take the much longer and more expensive route through Indonesia's Lombok Strait; that will add still more to the already exorbitant cost of Japan's oil.

To add to Japan's oil troubles, a huge storage tank ruptured last month at the Mizushima industrial complex in the city of Kurashiki. About 50,000 bbl. of oil poured into the Inland Sea—a national park area as beloved as Mount Fuji—and tarred 100 miles of scenic coastline. Beyond the aesthetic damage, which has caused a national outcry, the spill has wreaked havoc with the local fishing and edible seaweed industries; losses are estimated at \$40 million.

Japan is now trying to build up large oil reserves for use if Middle Eastern supplies are again cut. That means building more storage tanks, a project that encountered increasing opposition since the Mizushima oil *shokku*. As the influential daily *Mainichi Shimbun* editorialized: "The myth that storage tanks spell no pollution has now collapsed."

Shutdown in Gary

Ever since New Year's Day, a familiar sight has been missing from Gary, Ind. For the first time in years, there is no miasma of smoke over U.S. Steel's Open Hearth Mill No. 4—a complex of ten 65-year-old furnaces that annually produce 960,000 tons of steel and, as an unwelcome byproduct, 2,700 tons of air-

When it comes to life, you can never, repeat, never, have too much quality control.

America's overall supply of prescription drugs is excellent.

In fact, it's unsurpassed.

But there are ways to make sure that supply is even more safe, even more effective.

Member companies of the Pharmaceutical Manufacturers Association have proposed recommendations that should apply to all companies that make pharmaceuticals.

First. Companies making pharmaceuticals ought to be certified by the government. And certified *before* they start making medicines. Those two things would help assure doctors, pharmacists and patients that their medicines were made by reputable firms. Under the best conditions possible.

Secondly, all companies should rigidly follow the "good manufacturing practices" regulations published by the Food and Drug Administration.

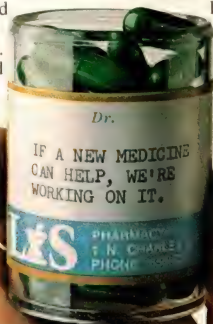
And, as quality control procedures improve, all companies should be required to keep pace.

Thirdly, each and every company making medicines ought to be inspected by the FDA at least once each year.

There are other recommendations dealing with bioequivalence, labeling, expiration dates and the like.

Why do we suggest them?

Well, we feel *how* a medicine is made can be as essential as what it is.



Send for our free booklet, "When It Comes to Rx Medicines There Are A Lot of Questions You Should Ask." It'll give you a lot of answers. Write to The Pharmaceutical Manufacturers Association, Dept. TM-412, 1155 Fifteenth St., N.W., Washington, D.C. 20005.

The Pharmaceutical Manufacturers Association



We'd like you to know where we stand.

We're Transamerica, the people in the Pyramid.

Most of our companies don't manufacture products. Instead, they provide services—protect your property, insure your life, move your furniture, entertain you, that sort of thing.

We own companies like Occidental Life for term insurance you can afford, Budget Rent-A-Car for people living on one, Trans International Airlines for charter flights to fit your fantasies and your family.

When your principal business is service, you get to know a lot about it. You develop a philosophy. Ours is to give you darned good service at a reasonable cost.

And then, to stand behind it.

So if you have a complaint or a compliment about any Transamerica service, send it to our chairman, Jack Beckett. With a building like ours, he's not hard to find.



United Artists, Transamerica Title Insurance, Lyon Moving & Storage,
Transamerica Insurance and 30 other services.

© 1984 B&W T Co.

If you have
a taste for quality,
you'll like the taste
of Kent.



The taste of premium tobaccos with the Micronite filter. Kent. America's quality cigarette.

Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health

Kings: 16 mg. "tar," 1.0 mg. nicotine; 100's: 18 mg. "tar,"
1.2 mg. nicotine av. per cigarette, FTC Report Oct. '74.

ENVIRONMENT

(Advertisement)

borne grit. Because it claims that it cannot curb the fumes right now, the company has shut down the mill. The decision could cost 2,500 employees their jobs in a city with an unemployment rate already approaching 15%.

At first glance, the move might seem to be a classic case of economics v. ecology. But the case is more complicated than that. It began in 1965, when U.S. Steel voluntarily entered into a legal agreement with Gary—which had the dubious distinction of having the dirtiest air of any U.S. city—to clean up its smoke. To do that, U.S. Steel pledged either to install antipollution equipment or replace all 53 of its open-hearth furnaces in the city with more efficient, less polluting basic oxygen furnaces by Dec. 31, 1973. When that date came, though the other U.S. Steel furnaces in Gary had been replaced, the ten open-hearth furnaces in Mill No. 4 were still in operation. So the company asked the state air-pollution control board, the city and the federal Environmental Protection Agency for first one six-month and then another six-month extension. Even though Gary's air quality was far below federal health standards, the extensions were granted. But to get the second delay, the company agreed to a consent decree in court, promising to finish the job by Dec. 31, 1974.

Paying Tribute. Last month U.S. Steel once again announced that it needed additional time to clean up Mill No. 4. The company argued that it had acted in good faith. But its new furnaces were not yet able to operate at full enough capacity to allow the old ones to be phased out and replaced. In granting a third extension, Federal Judge Allen Sharp ruled that the company must pay a fine of \$2,300 a day for 90 days, or until the air-pollution problem was solved. The fine was meant, said an EPA representative, only as "an incentive to move." But U.S. Steel Vice President William Haskell said that it amounted to paying "tribute" to the Government, and the company shut down the mill "as a matter of principle." As a result, U.S. Steel has at least temporarily lost about 10% of its total output in Gary.

EPA Administrator Russell Train expressed "shock" at the company's decision, saying: "Our intention is to clean up, not close down this facility." The cost of the fine, he figures, comes to an additional 94¢ per worker per day, and 75¢ per ton of steel produced. Unemployment benefits, on the other hand, cost the company \$7 per day per laid-off worker. Train urged U.S. Steel to "reconsider" its decision. But the company still refuses to pay the fine, and the EPA refuses to accept any compromise solution. Both sides apparently fear setting precedents that might influence their future disputes in other parts of the country. Meantime, the fires in Open Hearth No. 4 remain banked, though almost everyone in Gary would like to see them relit as soon as possible.



"Could you spare \$12.00 for a fifth of Chivas Regal?"

12 Years Old Worldwide • Blended Scotch Whisky • 86 Proof
General Wine & Spirits Co., N.Y.

One of a Golden Dozen

"I hope you're not looking for glamour," Richard Tucker once warned a reporter, "because I'm just not the glamorous type." Short, squat and built like a football lineman, Tucker hardly suggested Rodolfo. Not that it mattered. A ringing, luminous sound, fueled by Tucker's majestic belief in both music and the voice he felt that God had given him, was embellishment enough for the legions of opera goers who came year after year to hear Verdi and Puccini melt in his mouth.

Last week, on the eve of his 30th anniversary with New York's Metropol-

itan Opera, Tucker at 60 collapsed and died of a heart attack in Kalamazoo, Mich., where that night he had been scheduled to sing a joint recital with his friend, Baritone Robert Merrill. Among Met tenors only Giovanni Martinelli outlasted Tucker, with 32 seasons.

Nearly every seat was taken at Tucker's funeral, held on the Met stage. The only previous funerals in the Met (in its old, Diamond Horseshoe home before the move to Lincoln Center) were those of Conductor Leopold Damrosch 90 years ago and General Manager Heinrich Conried 66 years ago.

It was Met General Manager Rudolf Bing who declared in the early '50s: "Caruso, Caruso, that's all you hear! I have an idea we're going to be proud some day to tell people we heard Tucker." Last week the current general man-

ager, Schuyler Chapin, said: "When the annals of opera history are written, Tucker will rank among the golden dozen." He sang 32 leading roles, appearing in 503 Met performances. Tucker himself claimed sovereignty over but a single role: "Of course I can sing it better than anyone else," he said with disarming candor about his portrayal of the clown Canio in *Pagliacci*. "There isn't another tenor in the world who can equal me just singing it."

There were very few dissenters. In 1962 *TIME* called him "the greatest tenor singing today." His voice had almost unique evenness of tone and quality from top to bottom and was celebrated for its

house, "Tucker just came for his lesson, took off his hat, sang, put his hat on again and went." Tucker was permanent cantor at the Brooklyn Jewish Center when he auditioned for the Met in 1944. The next year, on Jan. 25, he made his debut singing Enzo in *La Gioconda*—on a two-month leave of absence from his synagogue. He never gave up his role of cantor, and since 1961 had participated yearly in High Holy Days services at Chicago's Park Synagogue.

Along with Leonard Warren, Robert Merrill, Eleanor Steber, Risé Stevens, Blanche Thebom and others, Tucker was part of a new wave of opera singers who were American-born and

mainly American-trained. His name soon became linked with Italian opera. In 1949 Arturo Toscanini chose him to sing Radames in *Aida* in the conductor's nationwide opera broadcast. In the years thereafter, Tucker used his voice judiciously, increasing his repertory gradually so that later, as his contemporaries began retiring, his own voice sounded fresh and resilient. A year ago last October, he realized a lifelong dream when he appeared as Eléazar in Halévy's opera *La Juive*, mounted in a special production for him by the New Orleans Opera Company. Coincidentally, *La Juive* was the last major new undertaking for Caruso in 1919. Tucker's considerable pride in himself was eclipsed only by his pride in his wife and three sons. When he first sang at the Met, he was surprised to find that great artists envied him his family. "But then I got to understand," he said,

"because I saw them going home to their hotel rooms, alone. What did they have really? Nothing."

Whenever he had a minute off during rehearsals, he would rush offstage to the telephone, often to call his broker. An incorrigible speculator, he invested thousands in an oil-drilling deal that ended with a postcard reading, "Sorry, dry well." He loved dancing, regularly turning up at Miami Beach and other favorite spas. He also threw parties for 250 guests at a clip in his home in Great Neck, N.Y. Despite a \$250,000 annual income, he never forgot his friends from the garment days. His phone number was listed—"in case some poor guy wants to come backstage with his wife and kids. I say, let him come. It can be a festive occasion for him." And no doubt it was



RICHARD TUCKER SINGING CANIO IN PAGLIACCI
A majestic belief in music and in the voice that God gave him.



AS DES GRIEUX IN MANON LESCAUT

diamond-hard focus. At the same time it was infused with a sweetness and warmth more usually heard in singers from Naples than in tenors from Brooklyn, where Tucker came from.

Born Reuben Ticker of Rumanian immigrant parents, Tucker began his musical training at six when he sang alto in the choir of the Allen Street Synagogue on New York's Lower East Side. He intended to be a cantor but took a job first as a runner on Wall Street and then in the garment industry. Until several years after his marriage at 22 to Sara Perelmuth, the sister of Tenor Jan Peerce, he had never seen a Met performance. Inspired by the example of his prominent in-law, Tucker, who was then a fur coat-lining salesman and cantor, began studying with Wagnerian Tenor Paul Althouse. According to Al-

Viewpoints: Stumbling Start

"Good morning, this is **AM America**," beamed Host Bill Beutel. Chirped Hostess Stephanie Edwards a second later: "This moment of tension is brought to you by a lot of nice people." On that note, ABC's long-ballyhooed big show finally hit the air last week.

The tension was understandable. The network has invested 18 months of planning and \$8 million in *AM America*, its first attempt to compete in TV's early morning reveille race against NBC's 23-year-old winner, *Today*, and the trailing but steady CBS *Morning News*. Unfortunately, *AM America* stumbled out of the starting gate and only slowly recovered after that.

The two-hour show's "entertainment and information" format is so far a staccato muddle of the shallowly portentous ("What is your outlook on the state of the world, Roy?" asked former New York Mayor John Lindsay, now a guest commentator on the show, of British Home Secretary Roy Jenkins) and the trivial (last Monday was Joan of Arc's birthday). Jazzy film montages flick past to numbingly appropriate pop music (example: shots of gold bars set to the strains of Donovan's *Mellow Yellow*). The only relief is the show's solidly professional, twice-hourly newscast anchored by Peter Jennings, 36, former ABC network-news anchor man and most recently chief of ABC's Beirut bureau.

Unflaggingly Unabrasive. This higgledy-piddling format was market research-shaped (by the consulting firm of Magid Associates), right down to the hosts' yellow molded-plastic podiums (desks were ruled out as "authority barriers"). The hosts themselves were formatted to appeal to an untapped younger audience (18 to 49, as opposed to the *Today* average age, 51) that the researchers contend is out there.

The easygoing Beutel, 44, former anchor man for ABC-New York's *Eyewitness News*, made the show because, says Executive Producer Dennis Doty, he should "wear well in the morning." Indeed he has so far been unflaggingly unabrasive. To provide political commentary, the show has enlisted such part-time "Americans" as Lindsay, former Senator Sam Ervin, former Attorney General Elliot Richardson and Civil Rights Activist Jesse Jackson.

Much of *AM America*'s advertised "bubble, spark and style," however, is programmed to come from Edwards, 31, a tall, red-haired former actress with the happy-peppy air of a sorority house activities chairman. For the past three years she prepped as co-host on a local Los Angeles TV talk show. Encouraging

absolutely no comparison with *Today*'s Barbara Walters. Doty emphasizes that "Stephanie is not a journalist"—a fact instantly clear as she blew most of her bubble in an inept interview with Psychiatrists Karl and Roy Menninger of Topeka's Menninger Clinic. (Sample query: "Do you treat them all the same way whether they come kicking or screaming or not?")

It is too early to predict how *AM America* will finally fare. But the staff seems undaunted by the barbs of early bad reviews. Announced Edwards hopefully at the start of one show: "We're going to keep doing it until we get it right."

■ Judy Foyard

The Pleasures of Clark

In a medium full of talk, Kenneth Clark remains television's only great conversationalist, and he is better—more relaxed, more personal, able to avoid the least hint of the lecture hall—in *The Romantic Rebellion* (PBS Monday, Jan. 13, 9 p.m. E.S.T.) than he was in *Civilisation*.

Manifestly, the romantic movement, as it showed itself in the painting and sculpture of the 19th century, is for him a subject at once more manageable and more familiar than the rise of all of Western civilization, his previous topic. Despite the pleasure of his company, the earlier series was often tormented in its outpouring of images, facts and opinion.

In contrast, *The Romantic Rebellion* is a quiet, smooth-flowing distillation of a lifetime's thought. It examines just twelve artists in the 14 half-hour episodes that follow this week's hour-long introduction. And even within these shows, there is no attempt to examine a subject's entire work. Instead, Lord Clark picks out key examples for close contemplation—discerning for us, in the modeling of a figure, the curve of a line or the choice and application of colors, the rise and fall of individual careers, artistic ideals and even cultural ideas.

At no time does he lose sight of the larger historical drama in which these artists were players. The "rebellion" of the title was against the classicism of 18th century art, with its obsessive search for ideal form, its demand that artists find and paint such general moral principles as they could discern in nature and in history. As Clark suggests, totalitarian painting and scholarship must still obey these formalist principles. Though the romantic rebels would not have known about that, they did insist on the sanctity of the individual sensibility, their right to paint man and nature as they envisioned them.

It was not a struggle, as Clark wryly makes clear, that can be neatly scribed



BEUTEL & EDWARDS AT WORK
Higgledy-piddling.

matized. The same movement, after all, encompasses Ingres, "imprisoned within his obsession with the outline," and Turner, experimenting with pure, nearly formless color. Indeed, Clark finds romanticism's unconscious beginnings in the work of the last great classicist, David, and in Goya, deaf, hating and isolated beyond the Pyrenees. As before, Clark is wonderfully deft at demonstrating the cross-pollination of ideas and more than ever willing to express his own impatience with the second-rate. Even his beloved Turner is charged with doing some "corny" paintings.

These irreverent moments lie close to the heart of the series' remarkable appeal, for they are the flip side of Clark's enthusiasm for his subject. His business, he implies, is not uplifting masses, but holding a civilized conversation among equals. It is an endearing conceit, one that makes you want to break out the port and cigars when he raps on the electronic door.

■ Richard Schickel



KENNETH CLARK AT HOME
A lifetime's thought.

Fraternity Redux

Next-door neighbors of the Sigma Alpha Epsilon house at the University of Miami were dumbfounded recently at the sight of the fraternity's flagpole. There, billowing in the breeze, was a frilly assortment of coeds' panties and bras. Such pranks, common to college life of the '50s and early '60s, had pretty much died out in recent years with the advent of student protests, a more serious campus mood and the near demise of fraternities. But now, fraternities—and their high jinks—are back in full force on campus.

At Amherst College, at least 60% of the student body now belong to the

American Cancer Society. At the University of Kansas, the Interfraternity Council has assumed sponsorship of the semiannual campus blood drive.

In the past few years, many fraternities have earned much good will for such community services. But their new image has recently been tarnished by the revival of hazing. At a pre-initiation hazing last fall at the Zeta Beta Tau chapter at New Jersey's Monmouth College, William Flowers, 19, was suffocated when a 5-ft.-deep mock grave in which he was lying collapsed. At Georgetown University, a fraternity pledge was hospitalized, according to campus rumor, after he was forced to chug-a-lug glass after glass of "purple

built on a foundation of religious and ethnic exclusion—is opening up a bit. Most fraternities proclaim policies of non-discrimination, but on many campuses there are Wasp houses, Jewish houses and black houses—and everyone knows which is which.

In some cases, students are pressured by their parents to join fraternities. Explains James Brodie, an assistant dean at Miami: "Parents want their children to have a traditional education, and parents can relate to the college fraternity experience." Indeed, Berkeley Freshman Greg Ryan unabashedly admits that he decided to join Sigma Chi this fall "because my father was in it."

Antioch on the Brink

It was chaos as usual last week at freewheeling Antioch College in Yellow Springs, Ohio. Disgruntled trustees were trying to fire the president, who refused to quit. The new chancellor, an apostate Jesuit who says he took the position "so I could get married," was reassuring professors that they would keep their jobs—although the college fired 25% of the faculty last spring and cut the survivors' pay by 13%. At the rear of the admissions office, students were busily stuffing envelopes and making telephone calls in a desperate attempt to recruit more freshmen next year so that the college can survive.

All small liberal arts colleges are in financial trouble, but Antioch is in particularly bad shape. Ever since it opened in 1853, Antioch has been one of the most experimental colleges in the U.S. It pioneered in work-study programs and study abroad; it did away with grades and traditional freshman requirements long ago, and created a "democratic community government," giving students unusual power. One of Antioch's few traditions is that students wear shoes to graduation. Now the college seems to be a victim of its own liberal innovations.

Student Strikes. Antioch's problems started in the mid-1960s when President James P. Dixon, a vigorously self-confident graduate of Antioch ('39) and Harvard Medical School ('43) who had run the college almost singlehanded for a decade, had an inspiration. He decided to form a "network" of 23 other Antioch "campuses" across the country and abroad, not only to serve poor and minority students, but also to provide more places in which to experiment with educational reforms. (For example, at Antioch West in San Francisco, students design most of their highly individualized program themselves; they also hire adjunct professors and even decide how much they will be paid.)

As a symbol that his primary concern was now the entire network, Dixon



UNIVERSITY OF KANSAS MEMBERS OF DELTA UPSILON PAINT A GARAGE
Showerhous, blood drives—and a community to be proud of.

school's 13 fraternities. The University of California at Berkeley is considering applications from ten new fraternities, which will send the total number up to 38, about as many as 20 years ago. At the University of Maryland, the number of students pledging fraternities is up 50% since 1970. After a sharp decline at Syracuse University, where 14 houses shut down during the past decade, three new fraternities have applied for charters.

The fraternities of the '70s have taken on some new dimensions. Though parties and interhouse sporting events are still popular, there is a growing interest in community projects. Last fall Miami's Alpha Epsilon Phi and its sister sorority, Delta Zeta, held a "show-erthon"—during which students took showers for 360 straight hours in an especially rigged bathtub on the street—and raised more than \$1,500 for the

Jesus," a potent mix of vodka, rum, grape, orange and lemon juices.

These incidents have not deterred the growing numbers of pledges, who are attracted by some practical benefits. Generally, living in fraternity houses is less expensive than off-campus apartments and, on some campuses, even cheaper than dormitories. At Syracuse University, for example, room and board at the fraternities runs about \$400 less than in the dorms. Moreover, the food is better.

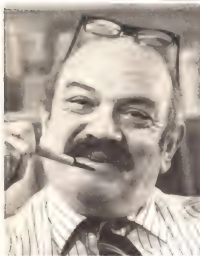
Fraternity life provides psychological benefits as well. Louis Menyhert, president of Psi Upsilon at New York University, points out that "N.Y.U. these days is an antiseptic place where people come for classes and go home." At a small, closely-knit fraternity house, he believes, there is a better opportunity to build friendships.

The fraternity brotherhood—once

moved to a country estate four miles from Yellow Springs and took much of the school's endowment and administration with him. That left the main campus without a permanent head for two years, until Francis X. Shea, 48, former president of the Roman Catholic College of St. Scholastica in Duluth, was hired as chancellor last summer. A white-haired scholar of 19th and 20th century literature, Shea was appalled at what he found when he unpacked his bags in Yellow Springs: "The entire administration has levitated out of sight, departed, or become otherwise incapacitated or unavailable."

By this time the network was in serious trouble too. Many of the centers were struggling to stay alive, an experiment to use an inflatable bubble as a campus in Columbia, Md., was a bust, and deficits were mounting. Despite the financial plight of the satellites, they were assessed a special tax of 1% of their

STUDENTS' WORK



ANTIOCH PRESIDENT DIXON
Levitating out of sight.

budgets last year to keep the campus at Yellow Springs afloat.

The problems on Antioch's main campus were worsened by two student strikes in 1973. For Antioch, which gets 90% of its income from student tuition, the strikes were almost fatal: 170 students dropped out right away, and 150 freshmen who had already paid a deposit did not show up. According to Benjamin Thompson, Antioch's admissions director, the strikes cost the college \$1 million in lost tuition. Antioch cut its budget from \$5.5 million to \$3.5 million last year as enrollment plummeted from about 1,300 to 929. The college even reduced its tuition (from \$3,100 to \$2,950) to recruit more students.

Many faculty members and trustees have singled out Dixon, 57, as the major villain in Antioch's travail. An ebullient social reformer, Dixon was the commissioner of public health in Philadelphia before coming to Antioch, and he was



THESE MEN can tell exactly what's happening inside every barrel in a Jack Daniel's warehouse.

In the heat of summer the whiskey is expanding into the charred inner wood of the barrel. Come Halloween, it's starting to cool. And inching its way back toward the middle. Over the aging period, this gentle circulation is going on constantly.

Of course, it takes years of experience for our barrelmen to recognize such subtle activity. But you'll notice its importance with your very first sip of Jack Daniel's.



CHARCOAL
MELLOWED

↓
DROP
↓
BY DROP

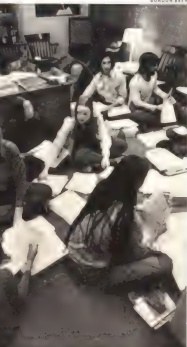
Tennessee Whiskey • 90 Proof • Distilled and Bottled by Jack Daniel Distillery
Lem Motlow, Prop., Inc., Lynchburg (Pop. 361), Tennessee
Placed in the National Register of Historic Places by the United States Government.

EDUCATION

co-chairman of the New Party in 1968 with Dick Gregory; he frequently thinks aloud in rapid-fire sentences that leave listeners at a total loss. Last spring 75% of the Yellow Springs faculty signed petitions asking him to resign. Said John Sparks, professor of political science: "He managed Antioch as if it were his own private property." Some trustees have urged that he be fired outright, but the Antioch board voted last November to postpone further consideration of Dixon's future and "the present viability of the college" until March.

Dixon is confident that the college will survive—and that its first-rate teaching faculty will continue to offer students a valuable blend of rigorous academic training and job experience. Says he: "Antioch is not going to cash in its chips, although I don't know what

GORDON BUELL



STUDENT RECRUITERS AT WORK
Hoping for more freshmen.

its evolution will be." Adds Chancellor Shea: "There's no reason in the world why this campus should roll over and play dead."

Antioch's future now depends on its ability to increase the freshman class 50%—to 450 students—next fall. The college never had to recruit before; now it has bought the names of 92,000 bright high school prospects from the Educational Testing Service, and is embarking on a massive telephone campaign, plus a 200,000-piece mailing. The effort is crucial. Says Jewel Graham, associate professor of social welfare: "Antioch has always been a hand-to-mouth institution, and that's where we're at now. If students come and pay tuition, we'll make it. If they don't, we won't."

BEHAVIOR

Therapists and Threats

A dissenting judge said the ruling "will cripple the use and effectiveness of psychiatry." The American Psychiatric Association agrees. Last week it submitted an *amicus curiae* brief for a rehearing of a case that is alarming psychotherapists across the country. By a 5-to-2 vote, the California Supreme Court recently ruled that doctors or psychotherapists who have reason to believe a patient may harm someone must notify the potential victim, his friends, relatives or the authorities.

The ruling stemmed from a 1969 murder case. While receiving outpatient psychiatric help at a campus hospital, Prosenjit Poddar, then 26 and a student at the University of California at Berkeley, said he intended to kill his former girl friend, Tatiana Tarasoff, 20. On a psychologist's orders, he was briefly detained by campus police, who released him two hours later when he appeared rational. A hospital psychiatric supervisor ordered no further action against him. Two months later, Poddar stabbed Tarasoff to death with a butcher knife.

To Save a Life. The victim's parents sued the university, the psychologist and two hospital psychiatrists for \$200,000 for failing to warn them or her about Poddar's threat. Alameda County Superior Court found no grounds for the suit, but the state supreme court's new ruling sends the case back to trial. Substance of that ruling: confidentiality between therapist and patient must yield "when a warning is necessary to prevent a violent attack." Moreover, therapists could be liable to civil damages, unless it can be shown that "sound professional judgment" was used.

Warnings to save a life have long been allowed by accepted medical ethics, but never legally required. "To make a law of this understanding," said Psychiatrist Alfred Freedman, past president of the American Psychiatric Association, "puts psychiatrists in a position where they have to respond even to idle threats."

Many, perhaps most, people who seek psychiatric help have some sort of destructive impulse, and their threats or wishes to see someone dead are routine and generally harmless ways of letting off steam. But many therapists wonder if juries will think so if a patient later really decides to kill someone. "It means," said Psychiatrist Robert L. Marvin of San Francisco, "that a jury can decide by hindsight whether a doctor has used the best professional judgment."

Even more alarming to many professionals is the fear that the ruling will keep violence-prone people away from the therapy they need. "The minute you report them, patients drop out of ther-

apy and become more of a threat to the community," said Dr. Maurice Grossman of Stanford University, an authority on doctor-patient confidentiality. Grossman also worries that a potential victim, warned about a threat, may sometimes assume the right to kill the patient on the grounds that a psychiatrist's warning justifies the action as self-defense.

Lawyers are happier with the ruling than psychiatrists. The president of the Association of Trial Lawyers of America, Robert E. Cartwright, who believes the ruling is defined narrowly enough to be workable, dismissed the argument that patients will drop out of therapy or hide their intentions from therapists. "People in a violent frame of mind," said he, "don't read court decisions."

The state supreme court's ruling came in the wake of another unpleasant surprise for California psychiatrists: a bill passed by the state legislature setting tight restrictions on the use of shock therapy. The new law states that electric shock treatments can be administered only after "all other appropriate modalities have been exhausted," and then only with the approval of a board of three doctors, two of whom must come from outside the institution prescribing the therapy. But on Dec. 30, two days before the law was to go into effect, a superior court judge in San Diego issued a restraining order against enactment of the law on the grounds that it interferes with a patient's right to medical treatment of his choice. It is also, in the eyes of doctors, a dangerous and undesirable precedent, another instance of outside interference with professional treatment of mental patients.

Depression Fever

Just about everyone is convinced the U.S. is heading toward hard times. And just about everyone is dismayed at the prospect. But there are a few exceptions. From down-and-outers, who have little more to lose, to rootless young people looking for new experiences, a tiny minority of Americans are at least halfway looking forward to a depression.

Revenge against the rich and comfortable is one theme. Alice Arnold, a social worker in California's San Fernando Valley, is struck by how many poor people seem to be rooting for a depression on the theory that "it would be good for the affluent to know how we feel." A few others, who are now comfortable but once suffered economic hardship, want their children to suffer as they did. On her lecture tours round the country, Psychologist Joyce Brothers has discovered that many parents "feel a depression would be good for their

All the style, all the class of an Olds Cutlass.

All for \$3756*.

Think about it. Wouldn't you look great behind the wheel of a new Cutlass? Look at those lines, that sculptured side styling. Cutlass' style makes it one of the most popular mid-sized cars in America. And you can get it for about the price of some compacts.

Try out the driver's seat. Don't you feel a little different knowing your car is an Oldsmobile? Admit it; you feel a little different. You've got all the room to stretch out in. You've got power steering, front disc brakes, a high-energy ignition system, all as standard equipment.

Check it out. That \$3756* really is a mighty sweet deal, isn't it. Especially since your 1975 Cutlass has been engineered to need less recommended maintenance and to give you improved gas mileage. According to published EPA tests, its standard six-cylinder engine got 16 mpg in the city and 21 mpg on the highway.

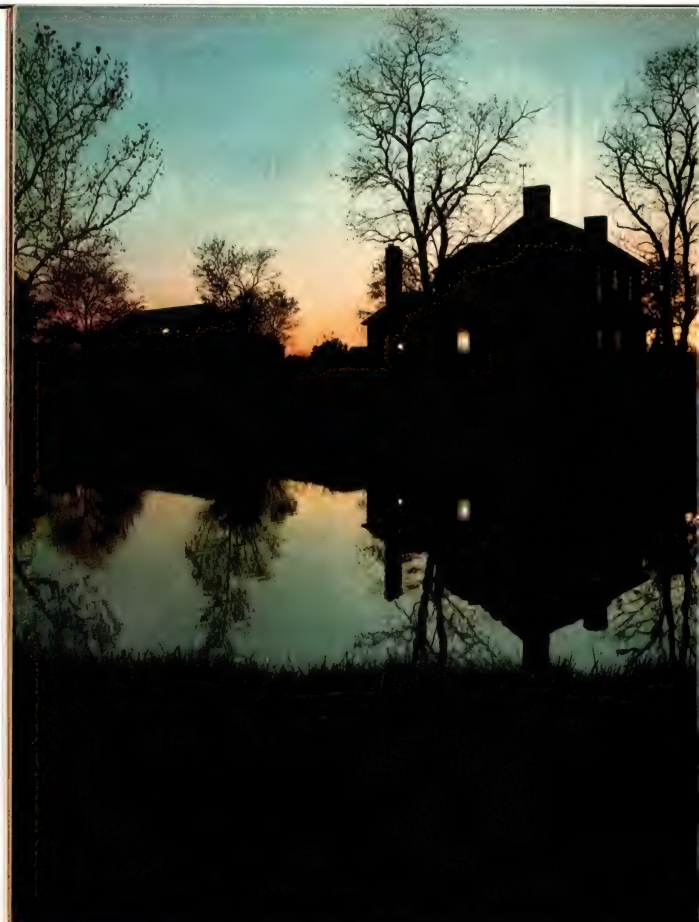
There's a lot to the new Cutlass. A lot of style, a lot of class, a lot of value, a lot of satisfaction. For \$3756* it's a lot of what driving is all about.

OLDSMOBILE CUTLASS

IT'S A GOOD YEAR TO HAVE AN OLDS AROUND YOU.

*Manufacturer's suggested retail price for the Cutlass Custom and Hardtop Coupe including dealer prep charge, destination charge, destination equipment, state and local taxes, an additional





You can save a lot of energy from the power plant to the Perkins place.

Electricity travels a long way to keep the light burning in the Perkins' window. During the trip there's a lot of opportunity for electrical energy to be wasted. Voltage is stepped up and stepped down several times. Each change requires a transformer of some size. And at each transformer, there's a chance for considerable energy loss.

At Armco we spend a lot of research effort on this problem, more than any other company in our industry. The results have been good. We've developed special electrical steels that help make these transformers much more efficient and reduce energy losses substantially. Electrical energy and power plant fuel are saved. Good news at a time when the conservation of energy is so important to our nation.

Our search for energy-saving materials is continuing. Armco is testing new materials that we hope will make transformer performance even more efficient. Then we have new alloys that cut loss of electrical energy in underground transmission lines. And we're looking for other answers to the energy shortage.

As the world's largest maker of oil well drilling equipment, we're working on improved equipment for drilling and production of oil hundreds of feet below the ocean surface. There's a lot more to accomplish in saving and producing energy. Armco expects to be a part of this accomplishment.

Armco Steel Corporation, General Offices,
Middletown, Ohio 45043.

Responsive people in action.



BEHAVIOR



SELLING APPLES IN NEW YORK, 1930

"Just what we need to toughen us up."

children. They themselves lived through the lean years, and now they see their kids rejecting the value of work. They are very exercised by the fact that a man would choose to be a musician rather than pick a more reliable profession like accountancy."

Even more common is the idea that hard times will be a character-building experience for a soft society. "Our parents lived through it and it made them strong," says Teresa Obendorf, 22, an assistant buyer at Gimbel's in Manhattan. "Our generation has had it too easy. This is just what we need to toughen us up." A related notion is that affluence is the villain that has bogged the nation down in mindless consumerism, environmental pollution and foreign adventures like Viet Nam.

Several psychiatric concepts explain why some people embrace the thought of a depression. One is the phenomenon that occurs when the anxiety of waiting for a disaster becomes greater than the actual fear of facing it. In that case, a person may actually wish for the trouble to arrive and thus put an end to anxiety. Another concept is "repetition compulsion." "This applies to people who have a need to master the trauma of the past," explains Dr. Robert Reich, director of psychiatry for New York City's department of social services, who works with the thousands of homeless men who crowd the Bow-

ery year after year. "These people constantly rework their past life; many of them lived through the Depression and never really recovered. They are always watching and waiting for the next." A few Bowery bums actually have money, but "are unable to stand the thought of spending it. If we were to find ourselves in another depression, this would be a vindication of their miserliness and penny-pinching."

A Strange Appeal. Social psychologists have long been aware that disasters can exert a strange appeal. The sharing of a common threat pulls people together and creates a sense of purpose and adventure. "If you're in a rut, locked into your career," says Marvin Geller, director of Princeton's counseling services, "you may hope for some cataclysmic event to shake you out of it." Nostalgia for the '30s, fed by TV shows like *The Waltons*, can make the harsh realities of depression seem attractive.

Village Voice Columnists Howard Smith and Brian Van der Horst call it "depression fever." They recently polled 150 people and reported that one-fourth "look forward to [a depression] as some kind of perverse attraction." Understandably, those too young to remember the '30s were the most enthusiastic about the possibilities of a depression. Those who lived through the last one, reportedly the columnists, "thought we were crazy even to ask."

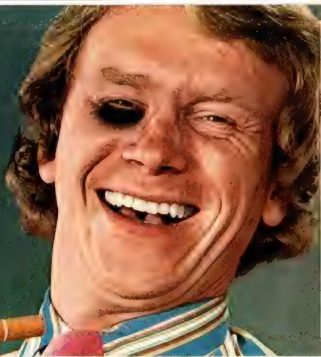
Us Tareyton smokers would rather fight than switch!



Join the unswitchables.

King Size: 20 mg "tar," 1.3 mg nicotine
100 mm: 19 mg "tar," 1.4 mg nicotine, av per cigarette, FTC Report Oct. '74

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health



Sheiks Bearing Gifts

The Arabs are coming! The Arabs are coming! Or are they? No great tide of petrodollars has rolled in yet, and American experts would actually welcome the balance of payments black ink and the economic stimulation such capital might bring (TIME ESSAY, Dec. 16). Nonetheless, at least six bills were introduced, unsuccessfully, during the last Congress in an effort to impede investment by foreign nationals.

Yet new restrictions could have unwanted side effects; for instance, other nations might retaliate by impeding U.S. investments abroad. In any event, a number of such laws and regulations are already in force. The safeguards vary. Some restrict the amount of stock that can be held by foreigners. Ownership of large blocks of shares, of course, does not necessarily give the shareholder control of a corporation's operations. As a result, the law more often limits the degree of management control that aliens can exert in specific industries.

The Government's foremost concern has always been alien involvement in national security. The Atomic Energy Commission, for example, cannot grant licenses to foreigners or foreign-controlled corporations for operating a nuclear reactor or for producing nuclear fuel. The Government also requires security clearance for any contractor or subcontractor dealing in classified projects. All directors and principal officers of a company doing such work must be investigated, and foreigners generally are not granted clearance. In effect, a company involved in sensitive Government business is permitted to have some foreign stockholders, but participation by aliens in management must be kept to an insignificant level.

Not Even One. There are also limitations in the transportation field. No commercial aircraft operating within the U.S. can be registered to foreign nationals. The Civil Aeronautics Board is empowered to veto the acquisition by aliens of more than 10% of the capital or voting stock of any U.S. airline. Similarly, only ships that are American-built, -owned and -registered can be used to transport freight or passengers between points in the U.S.

Since 1927, the FCC has been prohibited from granting broadcast licenses to aliens and foreign-controlled corporations. In this instance, a foreign-run enterprise is defined as any company that is incorporated abroad, is more than 20% foreign-owned or has even one alien as an officer or director.

Slightly less stringent controls affect banking and hydroelectric power. Hydroelectric plants may be developed only by American citizens or corporations. Such companies, if incorporated

in the U.S., can be owned by foreigners, however. Foreign-bank subsidiaries in the U.S. are denied membership in the Federal Reserve System and the Federal Deposit Insurance Corporation. Banks incorporated in the U.S., though, can join both federal programs even if they are foreign-owned.

Reciprocal arrangements between the U.S. and another country can ease some restrictions. Publicly owned lands and mineral deposits are available for lease, purchase or exploitation only to citizens or companies that are controlled by Americans. But that rule does not apply to U.S. companies run by nationals of a country that permits comparable American access to its lands or minerals.

No Pounds. There are also numerous financial regulations that would blunt the impact of foreign investment on the U.S. economy. For one thing, U.S. antitrust laws treat foreigners and Americans alike in their restrictions on market control. As for cocktail-party patter about secret takeovers by Arabs, such financial hugger-mugger is unlikely. Present disclosure laws require revelation of the actual owner of holdings of 10% or more in any company whose stock is publicly traded.

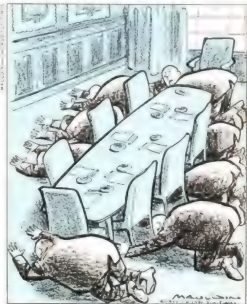
Nations that have faced a dollar invasion from America since World War II are watching the new U.S. uneasiness with interest. Most of them have long since adopted firm, sometimes perniciously protectionist legislation. Generally their governments have near-total discretion to veto foreign investments. The Bank of England, for instance, can simply refuse an unwanted alien investor the right to obtain British currency. France requires official authorization for all investments above 1 million francs (\$222,000). The only major Western nation with virtually no controls is West Germany. Even after the recent Arab purchase by Kuwaiti interests of 14% of Daimler-Benz AG, there seems to be little chance of a change in the laws.

The U.S. laws, now only slightly more stringent than West Germany's, could grow tougher, whatever economic experts may recommend. Some legislators are sure to offer new restrictions this year. Meanwhile, a law enacted by Congress last year requires a new, comprehensive Government survey of foreign ownership in American enterprises. In response, the Treasury Department has ordered a study that may lead to further federal regulations. The Government could even try to use the hypothetical power of expropriation. Similar action was taken on trading-with-the-enemy grounds against some German companies during World War II. Nowadays, the Supreme Court would almost certainly require a persuasive showing of national need and payment of a fair market price.

Semi-Tough Justice

When the Big Eight collegiate athletic conference discovered that the high school transcripts of two football players at the University of Oklahoma had been altered two years ago, the case opened big-time college football. The Sooners—one of the nation's best teams—were required to forfeit eight of their 1972 victories and the conference championship. They were also hit with two seasons of N.C.A.A. "probation," which barred Oklahoma from bowl games. The two youngsters involved, Quarterback Kerry Jackson and Center Michael Phillips, were suspended from the team for a year, even though they were cleared of complicity in the hanky-panky.

Last week the man who altered the transcripts was brought to justice—in a manner of speaking. Joe Woolley, former coach at Ball High School in Galveston, Texas, where Jackson and Phillips were students, pleaded no contest to a misdemeanor charge. He had upped their class ranking, said Woolley, simply to make them eligible for athletic scholarships under N.C.A.A. rules. The possible maximum sentence was \$1,000 and a year in jail. Woolley was fined all of \$25. District Attorney Ron Wilson, who recommended the wrist-slap approach, explained, "I can't think of a more laudable reason to do wrong than to try to help a young kid." Besides, said the D.A., "what more can we do to the man than has already been done?" What has been done is to move Woolley from Ball High to a job as an assistant coach of the Houston Oilers.



"... Otherwise, Conglomerated Industries will function as usual under our new ownership."

Economic Coverage: D as in Dismal

There have been periods recently when economic bulletins sounded like excerpts from an Ionesco notebook. Within a few days, the Wholesale Price Index drops a notch while consumer prices rise again. Unemployment hits a new high and the stock market rallies perversely. Assorted experts prescribe contradictory cures while Government officials shuffle a deck of options. How does a conscientious reporter or editor convey the meaning of it all? Not very well, in all too many cases.

Since events pushed inflation and recession to Page One and the top of TV news programs, it has become painfully apparent that American journalism, by and large, provides dismal coverage of the Dismal Science. Lyle Harris, director of the business-journalism program at the University of Missouri, sees business reporting as "a great wasteland. The public doesn't understand the stories, and the reporters don't either." To Louis Rukeyser, moderator of Public Broadcasting's excellent *Wall Street Week*, economics is the "No. 1 failing of journalism."

Most critics would exempt business magazines and other specialized publi-

cations from such censure. Their reporting is generally detailed and accurate, though not necessarily very precise or original. And even the business press is generally reluctant to question the basic assumptions under which Government and private economists work. The problem is posed with distressing regularity as merely a choice between slowing down or speeding up the economy through conventional techniques.

Back to Basics. Television news audiences and the readers of most general publications get little serious economic analysis. There are exceptions. Leonard Silk of the *New York Times* is one of the few journalists whom academics respect as an intellectual in the field. The *Times*'s Soma Golden and the *Washington Post*'s Hobart Rowen have both done consistently fine work. Peter Milius of the *Post* recently explained with clarity the relationship between inflation, wage changes, productivity and unit labor costs—rather basic stuff, but necessary to educate a painfully ignorant public.

On the practical side, Syndicated Columnists Sylvia Porter and Jane Bryant Quinn skillfully translate economic trends into lucid prose helpful to consumers. Beyond these exceptions and a few others, the fall-off in quality is steep. Many local papers rely heavily on Associated Press and United Press International for national coverage. The A.P.'s Gregory Nokes and U.P.I.'s Gene Carlson dutifully summarize the zigzags of Washington policymaking and the fluctuations of various indicators, but neither wire service often attempts to dig below the surface.

Local coverage is worse. Stories tend to deal with economic distress largely in terms of symptoms, local color and superficial how-to guides. The *Detroit Free Press*, to its credit, recently supplemented coverage of auto industry layoffs with a useful story on how to navigate the maze of local bureaucracies disbursing

unemployment benefits. But many papers flop even in such routine backyard reporting. During the fall, for example, the Atlanta *Constitution* did several stories on layoffs in auto plants elsewhere, but delayed in mentioning whether factories in its own circulation area would be hit (they soon were). Its sister paper, the *Journal*, ran a carelessly frightening headline—PRESIDENT WARNED OF IMPENDING BANK CRISIS—that caused a temporary run on a local savings and loan association. Coverage by the *Constitution* and the *Journal* has since improved. A professional economist has been hired to do a weekly column, and this month the two papers collaborated on a joint year-end review that was comprehensive and perceptive.

Other papers have also been trying to catch up. The Boston *Globe* last month organized a four-member economics team, but so far its efforts have been unspectacular. The Los Angeles *Times* this month is recalling Washington Bureau Chief John Lawrence to set up and run a new "economy desk," and just in time. One typical Page One example of *Times* enterprise: "A door-to-door *Times* survey of 457 Southern Californians indicates that inflation is regarded here as the nation's most serious economic problem by a sizable majority—but there is no widespread agreement on what to do about it."

Stock Scenes. Television is particularly ill equipped to cope with economic news. Until recently the commercial networks had virtually no economic specialists among their correspondents; as a medium, TV is handicapped when it covers any complex story that does not lend itself to exciting video. The standard half-hour evening news show allows time for little more than undigested statistics delivered machine-gun style and stock scenes of unemployment lines and supermarket aisles. Lately the networks have begun to do more specials on the recession. NBC broadcast an hour-long review on New Year's Day; to moderate a discussion between two economists, NBC borrowed Public Broadcasting's Rukeyser rather than relying on its own Irving R. Levine, a former foreign correspondent whose economic reporting has been drab and unperceptive. All three commercial networks have now begun to reorganize business coverage and recruit a few specialists.

If the majority of newsmen were sluggish in grasping the importance of the economic story, a handful of publications got caught up early on in a rather irresponsible kind of Depression Chic. *New Times* magazine showed on its cover imaginary breadlines at McDonald's. *Philadelphia* magazine published a "Survival Guide to the Next Depres-

DEPRESSION CHIC: FANTASY BREADLINES AT MCDONALD'S & SCENES FROM THE '30s



sion." *U.S. News & World Report*, which is hardly trendy or sensational, recently examined the likelihood of another 1929-style crash. The cover line, "What a Depression Is Really Like—Scenes from the 1930s," was a bit alarming for the sober story inside. In fact, economists generally agree that a return to the horrors of the '30s—when unemployment hit 25% as measured then (it is now 7.1%) and industrial production dropped by 53% (it is now down 4.3%)—is not remotely possible.

Such glib parallels have reinforced complaints by businessmen and public officials that the press is gratuitously contributing to bearishness. For the most part, however, the press has avoided wallowing in gloom. Nor have many publications been suffused with optimism—an attitude that most readers would reject anyway now that both Alan Greenspan, the President's chief economic adviser, and their own firsthand experience warn them that harder times are ahead.

Double Standard. Economic reporting is often found wanting in less visible ways. Reporters who would not hesitate to ferret out Watergate wrongdoing can be slow to investigate industry pricing policies, question whether suspiciously large price hikes are fully justified by rising costs or merely constitute price gouging, or examine the inflationary effects of monopolistic or Government regulatory policies. A recent *Boston Herald-American* story, for example, simplistically concluded that local retailers were raising their prices because "inflation is killing them."

Much of the reporting is flawed by errors of fact, interpretation and judgment that would embarrass even an undergraduate economics major. Few reporters note that current unemployment figures are not strictly comparable with those of earlier years because Government statisticians in the 1960s changed the way they define the work force. Similarly, many publications and broadcast outlets trot out the consumer price index monthly as if it accurately reflected everyone's inflation burden today. In fact, it reflects a market basket of goods and services required by less than 50% of all Americans. The base period for comparison purposes is now 14 years old, and the Bureau of Labor Statistics is working on a more precise and comprehensive index. Readers are rarely told of the lag of at least six months before Government fiscal or monetary measures begin to nudge the economy. Journalists who write of widespread demands for the President to take dramatic steps now to end the recession generally fail to mention that those steps could not bring any results before late 1975.

Why such fundamental shortcomings? The failure is not journalism's alone—U.S. general education is woefully inadequate in economics. Students in American high schools, and even in

many colleges, learn more about medieval European wars than about modern economies. The U.S. press has traditionally not cultivated the subject as an important specialty. Business publications serve a relatively narrow audience (most notable exception: the *Wall Street Journal*, with its circulation of 1,430,000). The business pages of most newspapers are little more than repositories of wire-service roundups and rewritten press releases. The typical daily devotes at least twice as much space and staff to sports

Until recently an economics degree has not been considered a good credential for newsroom recruits, and reporters have not been encouraged to specialize in the field. Says Ed Hart, financial editor of Los Angeles' radio station KNX, with perhaps some hyperbole: "Editors assign cubs to the business beat and say, 'Do a good job and we'll move you up to obituaries.'"

Only a handful of the nation's 213



"I get economic reports regularly in my grocery bags."

graduate and undergraduate journalism schools offer programs in business or economic coverage. The one at the University of Missouri last year graduated just ten students, all of whom were snapped up by employers suddenly eager for such talent. To help increase the supply, the Columbia University Graduate School of Journalism next fall will offer the nation's first mid-career fellowship program in economics. Other universities are likely to begin moving in the same direction.

If the recession has posed a tough challenge to editors, better times will present another. Once the crisis recedes, journalists in the nation that considers itself the capital of capitalism will have to show whether their new concern for economics is permanent or, like Depression Chic, just a fashion.

The Digest's Unique Ad

Reader's Digest is about to make its own contribution to the coverage of Topic A with what it calls a "unique new series of educational messages about the American economic system." The first of twelve monthly installments appears in the February issue. Judging by the initial offering, released last week, the only unique feature of the enterprise is the unusual marriage of editorial and advertising interests that conceived it.

Though researched and written by *Digest* editorial people, each page of each "message" will be clearly labeled ADVERTISEMENT. The advertiser is the Business Roundtable, a nonprofit group of 150 corporate executives organized to educate the public in the free-enterprise system. The Roundtable raised \$1.2 million to buy 36 pages in twelve consecutive *Digest* issues at the magazine's regular advertising rate. Though the preface mentions the Roundtable's participation, it omits interesting details of that organization's role. For instance, the Roundtable's 15-member public-information committee is empowered to kill an installment if the group considers it unsatisfactory.

The *Digest* launched the idea in the fall of 1973. Said Richard McLoughlin, director of magazine operations: "We thought that all kinds of people were taking potshots at American business and that the American economic system needed to be explained." The series promises to provide a "better understanding of our business system, wars and all." The first installment, entitled "Whatever Happened to the Nickel Candy Bar?" glosses over the current recession but sums up instead the importance of high efficiency in industrial production: "You have, we have, in our hands, in ourselves, the means to produce not just cars and books and songs and bread, but an entire way of life and economic environment second to none."

That statement is rather typical of much *Digest* prose and opinion. However, if the prosperous magazine (circ 18.8 million) wanted to convey its views on economics to its readers, why do it in ads paid for by very interested parties? *Digest* Managing Editor Edward T. Thompson sought to explain: "It is not reasonable to run an article on American business every month. We couldn't run that many all in a row."

Congratulations

The *New York Times* surely deserves credit for its expose of the CIA's domestic snooping operation (TIM, Jan. 6). But just in case not enough credit might be forthcoming from others, the *Times* itself is reminding everyone that congratulations are due. In the first 18 days after Correspondent Seymour Hersh broke the story, the paper ran 32 CIA-related articles and managed to mention its own scoop 38 times.



LOCKHEED'S MACH 3 SR-71 RECONNAISSANCE SUPERJET SOARS ABOVE CLOUDS



DESIGNER JOHNSON & CREATIONS

SCIENCE

A Farewell to Kelly Johnson

So many top Air Force officers descended on Dayton's Wright-Patterson Air Force Base that a bystander asked "Who's back at the Pentagon running the shop?" Replied Air Force Chief of Staff General David Jones: "Even more would have come if they could have got away." The beribboned brass hats were there to honor the one man above all others who gave the U.S. Air Force its unchallenged technological superiority: Lockheed Aircraft's famed design chief, Clarence ("Kelly") Johnson, perhaps the most successful aviation innovator since Orville and Wilbur Wright.

Skunk Works. Johnson, who retires this month shortly before his 65th birthday, received the Air Force's highest civilian medal that December afternoon in Ohio, and later the same day was inducted into the Aviation Hall of Fame. Those were only the latest tributes in an extraordinary career. During more than four decades at Lockheed, Johnson personally directed the design and production of 40 planes, including the first American combat jet (F-80), the U-2 spy plane and the Mach 3 (three times the speed of sound) SR-71, which recently flew from New York to London in a record-breaking 1 hr. 55 min. As head of Lockheed's top-secret "Skunk Works" design shop, named after the foul-smelling factory in *Li'l Abner*, he also played a crucial role in developing spy satellites, electronic jamming and other cloak-and-dagger technologies.

In the eyes of his peers, Johnson is

to aviation what Wernher von Braun was to rocketry. From the time he took his first flight in a barnstorming Lincoln biplane from a pasture near his boyhood home of Ishpeming, Mich.—the pilot told him to learn to build planes, not fly them—Johnson has lived aviation. After studying aeronautical engineering at the University of Michigan, he landed a job with Lockheed in the Depression year of 1933, largely on the basis of an impressive wind-tunnel analysis he had made of a model of a forthcoming Lockheed plane; the young graduate recommended a twin tail for the new all-metal, twin-engine Electra. Lockheed's first successful passenger plane (Neville Chamberlain used it to fly home from Munich). Reason: a single rudder offered inadequate control if an engine conked out.

Working in a leaky old building in Burbank, Calif., the novice engineer soon won his designing wings. In 1938 he almost singlehandedly persuaded the R.A.F. to order Lockheed's Hudson bomber. In a series of all-night sessions at the drawing board, he completely redesigned the plane to meet British specifications. At that time he was also working on what would become one of the most celebrated U.S. fighter planes in World War II, the twin-boom P-38 Lightning, which awed Luftwaffe pilots called *der Gabelschwanz Teufel* (Fork-Tailed Devil). Even before the first Lightning took off, Johnson shrewdly anticipated a problem that would

soon plague all high-speed aircraft.

As the plane approached the speed of sound in steep dives, the air would begin piling up along the leading edges of its wings, creating shock waves that reduced lift and sent the craft out of control. Johnson's innovative solution: the addition of a braking flap on the underside of the wings. When the flap was lowered, it smoothed the flow of air and restored control. To overcome the P-38's heavy "stick loads" or stiffness of controls during high-speed maneuvers, he was equally creative: he introduced hydraulic boosters like those now used in power steering in cars.

Soviet Archrivals. Although the Germans beat the U.S. into the air with the first jet fighter during World War II, Johnson responded quickly by using new jet engines and a low-wing, streamlined airframe to produce the F-80 Shooting Star, America's first operational combat jet, which became the workhorse of the Korean War. In the first all-jet air battle, it shot down a Soviet MIG-15, the brainchild of Johnson's Russian archrivals, Artem Mikoyan and Mikhail Gurevich. Kelly achieved an even more impressive performance from the Mach 2 F-104 Starfighter ("the missile with a man in it"), which is only now about to be phased out as NATO's dominant plane. Nor did Johnson neglect civilian aircraft; his graceful three-rudder four-engine Constellations set standards for speed, range and comfort for long-distance travel round the world.

Johnson's greatest talent was his ability to create aircraft that pushed men and materials to their limits—and be-

yond. Wedding glider design to jet technology, he created the long, thin-winged U-2, which for almost four years flew so high (80,000 ft.) over Soviet territory that no plane or missile could reach it; it was only when Francis Gary Powers' U-2 was downed by a new Soviet missile in 1960 that the world learned of the spy plane's existence. Johnson's double delta YF-12 interceptor remained unchallenged for a decade until Mikoyan's MIG-25 became operational.

Yet even the MIG-25 cannot fully match Johnson's masterwork, the sleek SR-71 Blackbird, a plane that can fly so high (100,000 ft.) and so fast (2,000 m.p.h. plus) that it was able to circle near Peking's first H-bomb explosion over the Lob Nor desert of northeastern Sinkiang province in 1967. It took photographs and gathered data without being damaged by the blast. After such daring forays, SR-71 pilots would decorate their fuselages with the silhouette of a cobra-like poisonous snake called the habu, which inhabits a Pacific island where SR-71s are based. When TIME Correspondent Jerry Hannifin noticed that an SR-71 on public display near Washington in 1973 bore no fewer than 42 habus, he inquired about those missions. The Pentagon responded by ordering all the emblems scrubbed off.

Off to the Ranch. As Johnson prepares to retire to his cattle ranch near Santa Barbara, Calif., he is uneasy about the state of American aviation. "We are in a time of great confusion without any forward-looking programs," he told Hannifin. He does not expect an American SST before 1990. Nor does he expect any significant design breakthroughs soon. What he foresees is greater emphasis on fuel economy, with aircraft "flying higher and farther with good payloads, but not necessarily faster."

Kelly Johnson may well be the last of a breed of uniquely gifted pioneering jet-aircraft designers who combined theoretical knowledge with wide-ranging practical skills. For example, his early experience in metal machining acquired during summer jobs in auto plants proved invaluable in working the heat-resistant titanium sheets needed for the SR-71's tough skin, which heats up to cherry red temperatures of 630° F. during flight. Johnson deplores the trend toward specialization with the lament of a designer who also knows how to handle machine tools. "Some of the fellows in the Skunk Works never had any cutting oil splashed on them." He expects more and more future decisions to be made by committees of experts with no experience beyond their own specialties. Trouble is, he says, committees "never do anything completely wrong, but they never do anything brilliant either."

Fortunately for such committees—and for all of American aviation—Johnson does not intend to drop out entirely. "If any interesting projects come up that I can contribute to," he promises, "I'll be around at the ranch."

Can You Quit Smoking? Read The Evidence

**Bantron No. 1 in Sales! In Clinical Tests
it worked for 4 out of 5!**

In the past twenty years thousands of people all over the world have stopped smoking with the aid of Bantron®. In actual clinical tests among smokers who wanted to quit, more than 4 out of 5 did so easily and pleasantly with its help. Meanwhile less effective smoking deterrents have disappeared from the drug store. If you have

been disappointed by one of these, do not let this keep you from trying Bantron. Its long record of success is your assurance that it can help you. Bantron is not habit forming and does not affect the taste in any way. It works by acting as a substitute for the nicotine in your system. Get it at any drug store without a prescription.

Help win the race



March of Dimes

TIME Subscriber Service

When writing us about your subscription
please attach your TIME mailing label here

and mail this whole form to TIME, Time & Life Building, Chicago, Illinois 60611

CHANGE OF ADDRESS? Please give us 4 weeks advance notice. Attach the label for your old address above, write in your new address below.

ENTERING A NEW SUBSCRIPTION? Check the box and fill in your name and address below. (To order gift subscriptions please attach a separate sheet with full instructions.)

RENEWING? Check the box below—and make sure your mailing label is correct! Your present subscription will end with the issue given at upper left of your label. Example: JE 75 means subscription expires in June 1975.

A QUESTION, COMPLAINT? We can serve you better and faster if you will enclose your mailing label with any correspondence.

Please send TIME 1 year \$18 ☐ new subscription ☐ renewal
☐ Payment enclosed. ☐ Bill me later

Name please print
Address Apt No
City State/Province Zip/Postcode

For faster service, phone toll free 800-621-8200 (in Illinois, 800-972-8302)

There are 84 things you should do before the movers arrive.



**This booklet tells
you what they are.
And it's free from
United Van Lines.**

United's new "Pre-Planned Moving Guide" puts an end to the "what have I forgotten?" problem. A complete timetable of things to do—starting six weeks in advance—is laid out in handy checklist form. Also included are carton labels, change-of-address cards and packing suggestions for "do-it-yourself-ers."

For your free copy of this fact-filled 32-page guide, just call your nearby United agent. He's listed under "Movers" in the Yellow Pages.



Need help in a hurry?

Use United's toll-free "HOTLINE" to get prompt, personalized assistance or answers to special questions. Just pick up a phone—anywhere in the country—and dial direct to United's Bette Malone Information Center—800-325-3870.



United Van Lines

We do MORE than get you there.

IN MISSOURI CALL COLLECT—(314) 326-3100

AUTOS

Cracks in the Price Wall

The U.S. auto industry has a long way to come back if it is to help lead the general recovery that the President's economic advisers hope will begin at midyear. Sales totals released last week confirmed the obvious: 1974 was the biggest lemon the automakers have had since the recession year of 1958. The 7.5 million cars sold by the four U.S. automakers added up to a chilling 23% drop from 1973, a record year; even imports, which have survived past slumps in relatively good shape, were off 20%.

As the new year began, moreover, the American manufacturers were surrounded by doleful statistics: 14 assembly plants shut down; almost 300,000 assemblers, clerks, accountants, designers and middle-level managers—20% of the industry's work force—laid off; 1.7 million unsold cars sitting in factory and dealer lots; and sales lurching along at 25% below the December 1973 pace.

The recovery, when it comes, is likely to be slow and sluggish at best. Many industry observers predict a generally flat year ahead, with no really significant upturn until August or September. The range of forecasts for total domestic sales is wide: Wall Street Analyst David Eisenberg believes that Detroit will sell no more than 6.5 million autos in 1975. But General Motors Chairman Thomas A. Murphy talks of a 9-million-car year. Though that would be well short of 1973's alltime high of 9.7 million new cars, it would be comfortably ahead of 1958, when only 4.3 million cars were sold.

Rising Prices. The automakers have blamed their recent problems on a number of villains: high car-loan interest rates, costlier gasoline and a shattering of consumer confidence by anti-inflation pronouncements from the Ford White House. But automakers have not said much about one obvious sales deterrent: high prices for new cars. On the average, the sticker prices of the 1975 models are about \$450 higher than the 1974s. Since the end of the 1973 model-year just 15 months ago, car prices have risen by an average \$1,000.

For months the automakers stuck to these increases in the face of falling sales on the argument that the rises represented only a partial catch-up with past hikes in the cost of labor and materials. But now Detroit's price wall is beginning to crack. This week Chrysler is launching an unprecedented "Car Clearance Carnival" that industry experts describe as one of the most intriguing Detroit sales experiments in years.

Every week for five weeks, Chrysler

will announce selected models on which buyers will receive cash rebates of \$200 or \$300 directly from the company. This week's specials, Dodge Dart Swingers and Plymouth Dusters, qualify for \$200 rebates. In addition, the company is offering a \$100 bounty to customers who trade in certain cars made by its competitors. This week, for example, a motorist trading in a used Chevrolet Vega or Ford Pinto for a new Swinger would get a \$300 check from Chrysler, regardless of what kind of markdown he was able to get from the dealer on the car's basic sticker price of \$3,518. In this case, the rebate would in effect cut the list price of the Swinger to \$3,218—a reduction of 8.5%.

Dealer Bonuses. Ford and GM have no plans as yet to follow Chrysler's lead. For the moment, the two biggest carmakers are promoting sales through standard cash incentives. These are bonuses awarded to dealers for selling a certain number of cars per week or month; they enable dealers to quote bargain prices well under list to customers yet still make a respectable profit. But if Chrysler's variation helps the company cut down its 127-day stock of unsold cars—by far the largest in the industry—other carmakers might be tempted to cut prices or offer rebates.

In the meantime, the nation's fourth automaker, American Motors Corp., is making an even bolder play to increase showroom traffic. Despite the dismal sales climate, A.M.C. is bringing out a brand-new car. Called the Pacer, the new entry is a two-door subcompact aimed primarily at the urban market.

Just over 1 in. longer than

A.M.C.'s Gremlin and designed with a sloping front that cuts aerodynamic drag, the Pacer has more headroom in back than a Continental Mark IV. The door on the passenger side is 4 in. longer than the driver's—an innovation aimed at facilitating entry to the back seat. The car's most striking feature is an abundance of glass: it has more window surface than the Cadillac Eldorado. But its main selling points will be low cost (base price: \$3,299) and high fuel economy (25 m.p.g. on the highway).

If the Pacer goes over well, the company plans an entire series of lightweight, economical cars designed on similar lines. A.M.C.'s think-small strategy has served the company well in the past. Its 1956 sales decline last year was considerably less painful than the ones suffered by the Big Three: GM (down 27%), Ford (17%) and Chrysler (21%). While luxury cars held their own, middle-size cars did poorly, and the economy segment of the market in which A.M.C. has specialized grew from 43% to 45.3% of total sales. Thus the Pacer, A.M.C. President William Luneburg believes, "is something that will get people looking at cars again."

PLYMOUTH DUSTER IN NEW YORK SHOWROOM



AMERICAN MOTORS' ALL-NEW PACER ON DISPLAY LAST WEEK IN DETROIT



Ford Man in VW's Future

Although it is scarcely a consolation to Detroit, the big European automakers are also having their problems. British Leyland, which is one of Britain's largest non-nationalized industrial firms, has been forced to go, hubcap in hand, to Harold Wilson's Labor Government for a five-year loan of \$230 million or so to help it get over a severe cash shortage caused by plunging sales. Peugeot and Citroën have sought and received financial backing from the French government for a desperation merger. Italy's Fiat, hit by a sharp decline in sales, is struggling to unload an inventory of some 345,000 unsold cars. Meanwhile, a variety of troubles have overtaken the largest auto manufacturer outside the U.S., West Germany's Volkswagen.

VW's overall sales were off "only" 13% in 1974; but they were down a thumping 30% in the company's most important export market, the U.S., which normally accounts for a third of the company's production. Mainly because of the export disaster, VW expects to report 1974 losses as high as \$210 million—the first deficit that Volkswagen has shown since it was revived after World War II. Lately, VW's six West German plants have been operating at 60% of capacity, and nearly 80% of its 109,600 West German work force has been laid off.

Board-Room Politics. One of Volkswagen's casualties was Rudolf Leiding, 60, who resigned as president last month. The company gave poor health as the reason, but by all appearances, Leiding's main problems were bad luck in sales and some brusque board-room politics. When he took over the top job at Volkswagen's Wolfsburg headquarters in 1971, Leiding recognized that the basic Beetle, essentially a 1937 design, was steadily losing consumer appeal, and he moved quickly to develop new models to replace it. Unfortunately, the oil crisis and the subsequent economic slowdown hit just as Leiding was rolling out his new cars. Caught in a classic revenue squeeze,

Leiding started jacking up the price of the Beetle, which now costs \$2,895 in the U.S., up 16% in the past year. Then, when sales plummeted, Leiding cut production, trimmed the payroll, and began talking about beating cost problems, caused by the Deutsche Mark's relentless rise, by building an assembly plant in the U.S. The prospect of exporting jobs rather than cars angered two powerful factions on VW's 21-man supervisory board of directors: the members representing the government's 40% ownership of the company and the workers' representatives, who sit on the board under West Germany's system of *Mitbestimmung* (co-determination) in corporate management.

Last week, nearly a full month after the board accepted Leiding's resignation, it finally agreed on a successor. He is Toni Schmücker, 53, an outsider who was until recently president of Rhein Stahl AG, a large steel company. But Schmücker is no stranger to the auto business: he spent 30 years with Ford of Germany, rising to director of sales. Yet his reputation as a corporate reorganizer dates from 1968, when he jumped from Ford to Rhein Stahl, a once profitable firm that had been driven into the red by severe cost problems. Schmücker lopped off unprofitable operations, turned the earnings slide around, then arranged for Rhein Stahl's sale to the August Thyssen-Hütte AG iron and steel combine in 1973.

Volkswagen could stand some similarly dramatic treatment. Certainly the company must find some way to adjust its mammoth production capacity downward so that consumer demand can be met without generating suffocating overstocks of cars. But how much innovation VW's politically sensitive board will tolerate from Schmücker remains to be seen. VW's new boss is more affable and articulate and less authoritarian than Leiding, and charm may help. But even VW's chairman Hans Birnbaum has said bluntly that there are no "magic solutions" to the company's problems, and that he does not expect a full recovery until 1980 at the earliest.



COMMODITIES

Dime Store Gold Rush

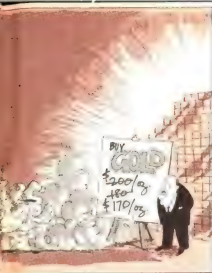
As one General Services Administration official put it: "This wasn't any 5 and 10¢ store trade. These were Tiffany items." On the block in what must have been one of the most widely watched auctions ever held was a small chunk of the U.S.'s 276 million-oz. gold stockpile, offered for sale to the public in minimum lots of 400 oz.—worth \$70,000 at pre-sale prices. But when the 209 bids submitted last week were opened, it looked like the great gold sale had drawn a strictly Woolworth's crowd.

European Buyers. The Government threw out 56 bids, among them a number of frivolous ones offering \$1 per oz., and ended up selling only 756,000 oz. of the total of 2 million oz. that the Treasury had put on the market. The 153 bids accepted offered an average price of \$165.67 per oz.; that was substantially below the London free market price that morning of \$173 per oz., and well under the late-December high of \$197.50. Europeans were big buyers, more than half of the gold that was sold went to the New York subsidiary of West Germany's Dresdner Bank. None of the large U.S. bullion refiners and dealers even bothered to submit bids.

Even so, the sale was at least a partial success for the Treasury. The gold worth only \$32 million at the \$42.22 per oz. "official" price (used between governments), went for \$124,841,256 in the auction—a tidy 300% profit. More important, as Washington had intended, the sale helped to dampen further the hopes of speculators that great numbers of Americans would rush to trade dollars for the yellow metal after it became legal for them to own bullion on Dec. 31. Bullion bulls in Europe and the Middle East were only temporarily distressed by the American disinterest; however, in a show of confidence that legal gold would yet glitter for them, they bid the price back up to \$178 on the London market by week's end.

TROUBLED VOLKSWAGEN'S NEWLY CHOSEN PRESIDENT TONI SCHMÜCKER





OIL

Recycling Showdown

Like stubborn generals squabbling over strategies, U.S. and European leaders have been divided as to just how to deal with Middle Eastern oil producers. The U.S., which is relatively rich in energy resources and thus only moderately dependent on foreign oil, favors an adversary approach; it hopes to weld the world's most important oil users into a united front facing the 13-nation Organization of the Petroleum Exporting Countries in a long-term effort to drive down oil prices. Western Europe, which gets most of its oil from the Middle East, is wary of schemes that would anger OPEC and possibly precipitate another oil crisis. It favors a policy of cooperation, drawing OPEC into negotiations with oil consumers and avoiding a confrontation atmosphere.

In Washington this week the conflicting philosophies will be put to a crucial test. In a series of meetings, U.S. and European policymakers will begin mapping strategies for dealing with one of the more disruptive issues in the sudden shift of wealth to oil-producing countries. That is, how to recycle some \$60 billion a year in surplus Middle Eastern oil revenues to economically strapped consumer nations so that they can better finance their massive oil import bills.

Expanded Version. The Europeans have firm ideas as to how recycling should be accomplished. Hammered out only last week in London and agreed to unanimously by finance ministers of the nine Common Market countries, the European scheme calls for direct participation by OPEC producers in a recycling "facility" run by the International Monetary Fund that would receive and re-lend \$10 billion to \$12 billion in oil-country surpluses this year. Essentially, this would be an expanded version of the so-called Witteveen plan, a much smaller recycling facility, named for IMF Managing Director Johannes Witte-

veen, that has been in operation since last June. Witteveen II, as the bigger model is already known, would be funded by borrowing from OPEC nations at commercial bank rates. Countries having trouble paying for the oil they import would be given three- to seven-year loans at interest rates varying with ability to pay.

Besides endorsing Witteveen II, originally drawn up by British Chancellor of the Exchequer Denis Healey, the Europeans have made known their dislike of the U.S. recycling plan: the \$25 billion "safety net" proposed in November by Secretary of State Henry Kissinger. In contrast to the European plan, Kissinger's oil facility would keep the OPEC governments at a distance, it would not borrow directly from the oil producers, but would draw instead on the OPEC billions already deposited in the Western banking system. The money would come chiefly from the economically stronger countries, meaning, in practice, the U.S. and West Germany. Since Bonn usually finds it hard to stray very far from a Washington lead in matters of international politics and finance, the U.S. would probably end up holding most of the strings of the safety net.

Because Washington would thus have a big say in who would get loans and under what terms, the Europeans see the safety net as a vehicle for allowing the U.S. to dictate world energy-conservation policies; borrowers would have to cut back on oil consumption to qualify for loans. The Europeans also regard the \$25 billion net as part of the overall U.S. plan to unify oil users against OPEC. They note that the Kissinger plan would require approval by Congress, the West German Bundestag and other parliaments, a process that could take more than a year. Proponents of Witteveen II, which already has support among some OPEC regimes as well as the consuming countries, believe it could be in operation by Easter.

Terms of Debate. U.S. officials have no objection to the IMF's lending role, noting that it has been making loans to needy nations since World War II. But they do object to borrowing directly from oil producers. In any event, the recycling debate need not be cast in either-or terms. The safety net could survive this week's negotiations if the U.S. were to agree to some compromise that would give the shaky economies most likely to need help some day—Italy, Britain, France, Ireland and Denmark—less reason, real or imagined, to fret about American domination.

Ideally, the negotiators will agree to setting up both recycling facilities to operate in tandem—Witteveen II handling most financing of consuming countries' oil deficits, the bigger safety net acting as a backup to be used only in cases of dire economic emergencies. With any luck, State Department officials were pointing out last week, the net may never have to be hauled out.

ECONOMY & BUSINESS

Pay Now, Win Later?

When Economist John Maynard Keynes published his *General Theory* in the 1930s, Franklin Roosevelt and his New Dealers saw it as philosophical justification for their much-disputed strategy of pulling the nation out of the Depression through heavy Government spending and big budget deficits. The Ford Administration, which has prepared a bold energy policy built around sharply higher prices for oil and natural gas, may get a similar boost from a new study by the Paris-based Organization for Economic Cooperation and Development. The OECD, a research-oriented group whose members are 24 of the world's leading industrial nations, concludes in a two-volume study published this week that in the long run, today's high oil prices are really best for everybody—especially for the U.S.

Calculating future world supply and demand, OECD economists have developed models showing the purely economic effects of keeping oil at three different price levels: \$10.80 per bbl., which is roughly the current world price as dictated by the Organization of Petroleum Exporting Countries; \$7.20 per bbl., a rate regarded as "fair" by many Western economists; and \$3.60 per bbl., which is what the cost might have been today if OPEC had not been raising prices unilaterally since the 1973 Middle East war. Among the projections:

► The U.S., in continuing to meet the \$10.80 price, would be able to reduce imports from around 6 million bbl. a day now, to zero by 1985 and actually export a domestic-oil surplus of 1.35 million bbl. a day. The assumption is that high prices would spur a 114% rise in U.S. oil production over a decade while depressing consumption, thus enabling the U.S. to stop importing oil altogether. In this area, the OECD researchers are even more optimistic than the Federal Energy Administration; in its *Project Independence Blueprint* published last fall, the FEA foresaw imports still hovering at 3.5 million bbl. a day in 1985, even in a high-price situation. A price drop to

BRITAIN'S DENIS HEALEY



OIL IMPORTS

Millions of barrels per day



\$7.20, the OECD continues, would leave the U.S. still importing 5.1 million bbl. a day by 1985, while a return to \$3.60 oil—which is improbable, to say the least—would throw the country back into a cheap-energy binge that could double the current import level.

► Western Europe, which is far more dependent on OPEC supplies than the U.S., would shave imports by only about 8% (to 13.3 million bbl. daily) if oil stayed at \$10.80. Yet lower prices would vastly increase its reliance on foreign oil. At \$7.20, Europe's oil imports would rise another 21%, to 16.7 million bbl. daily, at \$3.60, they would zoom by 71% to 23.8 million bbl. a day in 1985.

► OPEC producers would feel a gradual squeeze in a world of \$10.80 oil, as users gained increased self-sufficiency. Total demand from the industrialized countries would drop by at least 10% in ten years. By the late 1970s, the 13-nation cartel would have to consider deep cuts in production—and perhaps in prices as well. But by that time, the consuming countries would have a vested interest in high-cost oil, seeing it as permanent insurance against further extortion by the oil producers.

To Americans, who are paying historic high prices for energy, and could soon be paying even more under the Administration's energy program, the OECD's projections are about as comforting as January's bill from the local gas and electric company. Yet the OECD conclusions are in line with the arguments Ford has been hearing in recent weeks that a "floor" price of about \$11 per bbl. of oil would be the most effective way to reduce imports and increase self-sufficiency. Still, the costs will be steep, perhaps impossibly so for those countries that, unlike the U.S., have only limited energy resources.

The OECD estimates that the tab for near self-sufficiency—in terms of higher oil prices, slower growth and investment in new production and alternate energy sources—could add up to \$2 trillion between now and 1985 for the industrial nations. Its report dryly observes that

ECONOMY & BUSINESS

some governments might decide that the sacrifices involved in achieving absolute energy independence "may be undesirable." In the end, all governments will have to balance the need for self-sufficiency against other national priorities.

Wildcatters' Lament

In the U.S., rising oil prices have already touched off what is building up to be the biggest oilfield rush since the 1950s. Oilmen, particularly the independent operators, who do more than 80% of the exploratory drilling in the U.S. and off its shores, have been swarming across the country in search of promising new deposits and even returning to old oil hunting grounds in Texas, New Mexico and other states. More and more, however, they are making a painful discovery: it can be a lot easier to strike oil nowadays than get the pumps, piping and other paraphernalia needed to bring it to the surface.

So far, in fact, Project Independence has mainly yielded a barrel of complaints about equipment shortages that are delaying new production. Driller George Mitchell, head of a large Houston exploration company, voices a typical wildcatter's lament: "We've got six good prospects offshore Texas that we've had to defer for six to eight months already for lack of equipment." Another independent oilman, A.V. Jones of Albany, Texas, estimates that he could increase his company's new drilling by 50% if he had the necessary material. As it is, he says, "if all the wells I've got going now come in, I don't have enough pipe in the yard to furnish them."

Doubled Prices. The shortages are especially irksome to drillers because Washington has made domestic-oil exploration more attractive than it has been at any time in years. Under the two-tier oil price system inaugurated in September 1973, "new" oil—production in excess of a 1972 base period—can be sold at the world price, now about \$11 per bbl. That is more than double the limit of \$5.25 per bbl. allowed on "old" oil produced within the base level.

Piping, drilling rigs and other items are in short supply now largely because they have not been in much demand in recent years. At the \$3.81-per-bbl. price that prevailed when the two-tier system arrived, many drillers abandoned oil exploration as unprofitable. During the past 20 years, the number of independent oil companies shrank from about 20,000 to 10,000, and manufacturers of drilling equipment cut back on their production accordingly. With demand on the upswing again, the manufacturers are struggling with order backlogs of up to three years. The smaller independents have been hardest hit by delivery delays, since they are unable to buy in the quantity that makes the major oil companies more attractive customers.

As a result, second-hand equipment, once regarded as throwaway junk, is

now attracting premium prices. New drilling pipe sells for \$10.50 per ft. when available; when it is not, wildcatters often settle for used pipe supplied by oilfield hustlers at \$20 per ft. "They charge an arm and a leg," complains Walter Bates, owner of a well-service firm in Odessa, Texas. "But I'm happy to pay any price to get the equipment I need." Sometimes, the equipment is not only high-priced but hot as well. Says Sheriff Elwood Hill of Odessa: "They are stealing just about everything in the oil patch that isn't tied down." Hill adds that an experienced team of oilfield thieves can dismantle and cart off \$20,000 worth of gear within two hours.

Trained People. Equipment is not all that is in short supply. Manpower capable of working with the increasingly complex drilling rigs is scarce as well. "You just can't go down to the corner any more and pick up some roughnecks and roustabouts," points out Michel Halbouty, an independent producer. "This is sophisticated machinery, and it needs trained people to operate it." Even so, West Texas oil companies are now paying as much as \$1,200 a month for unskilled labor. Some producers want Government help in training new oilfield workers, plus federal intervention in the steel industry to increase production of pipe and other scarce hardware.

The shortages will surely work themselves out in time, of course, but time can cost billions. The National Petroleum Council estimates that, were it not for equipment shortages, 2,200 more new wells would have been drilled during 1974. Within two years, those missing wells might have increased U.S. production by as much as 700,000 bbl. a day—enough to replace 70% of the oil that President Ford wants to cut out of the country's imports.

WALTER BATES AT EMPTY PIPE RACKS



Fields Cadillac Has A New Year's Resolution:

We won't do anything any different this year than last year.

Last year, we matched our superior product with superior sales and service. We're going to do the same thing in 1975.

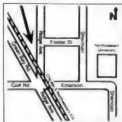
We appointed a GENERAL MANAGER OF CUSTOMER SERVICES, responsible for both our service and body shop operations. We employed additional trained customer service people and brought new and different talents into the automobile business.

We did that last year. And the year before that.

Our customers receive the finest after-sale service as evidenced by our CERTIFIED SERVICE DEALER AWARD and our MASTER DEALER AWARD. In fact, that's how we've been treating our customers and Cadillacs for as long as we can remember.

And we can't think of a single reason to change in 1975. You'll find everything good about yesterday here at FIELDS CADILLAC, today.

Visit FIELDS CADILLAC of Evanston and see and drive the all new 1975 Cadillac... you owe it to yourself.



Fields Cadillac

1930 Ridge Ave., Evanston, Illinois

UN 4-8600 • 273-3600

Cadillac Service, Leasing & Sales

THE CADILLAC OF CADILLAC DEALERS

FIELDS CADILLAC WISHES YOU A SAFE... AND PROSPEROUS 1975.





Gene Boucher as Paris in Gounod's "Romeo et Juliette"



Alma Jean Smith
1974 Met Contract Winner



Christine Weidinger as Elvira in Rossini's "L'Italiana in Algeri"



Sherrill Milnes in the title role of Verdi's "Macbeth"

Have a voice in the Met's future.

Forty-two talented young American singers have joined the Metropolitan Opera through the Regional Auditions

The METROPOLITAN OPERA NATIONAL COUNCIL sponsors the METROPOLITAN OPERA REGIONAL AUDITIONS PROGRAM in this area and throughout the fifty United States. Ambitious young singers are invited to apply for the opportunity to audition in this District. Auditions can lead to study grants and scholarship awards and the chance of competing in the National Finals on the Met stage in New York. Top awards include the possibility of a Metropolitan Opera contract and further study grants.

If you are a singer between the ages of 18 and 33 or wish to further the career of such a young artist, you may obtain information on the Regional Auditions in your area by writing to: The Metropolitan

Opera National Council, Lincoln Center Plaza, New York, N.Y. 10023.

The Metropolitan Opera National Council is an organization dedicated to the nationwide promotion of participation in the development of the Metropolitan Opera as a national institution. By underwriting and administering the Regional Auditions Program, they are discovering new talent for the Metropolitan Opera and encouraging and assisting talented young singers to further their careers. The Metropolitan Opera National Council is also the sponsor of the Central Opera Service for the benefit of operatic groups, both amateur and professional, throughout the United States and Canada.

Central Regional Final Auditions
Civic Opera House
20 North Wacker Drive
Chicago, Illinois
February 11, 1975 (Tuesday)
1:00 P.M.

On Sunday, April 13, 1975, listen to the MONC National Final Auditions on stage at the Met over National Public Radio Station WBZ-FM (91.5). On Sunday, April 20, also hear a special concert by the Winners in New York's St. Thomas Church.

Risky Rewards

THE BANKERS

by MARTIN MAYER

566 pages. Weybright & Talley. \$15.

Despite the confident, conservative tone of their advertising, banks are no longer simply depositories and prudent lenders of other people's money. The past decade has seen most major banks turn into high-powered financial conglomerates ardently pursuing the Great God Growth. But with their brighter balance sheets have also come greater risks—a disturbing fact that was dramatically demonstrated in the past year by an unusual string of bank failures in the U.S. and Europe.

Understanding the changes that have taken place inside the sleek temples of modern finance would require a cram course in the complex ways of banking. Fortunately Martin Mayer has done the necessary homework for interested laymen: he offers a clear, detailed and well-paced book about one of the nation's least understood institutions.

Mayer, an economic expert and probing author of such books as *Madison Avenue, U.S.A.* and *The Lawyers*, examines the standards used by banks to decide who will—and who will not—get a personal loan. He looks into the cozy relationships between many senior loan officers and their favorite corporate clients and considers the swelling torrent of bank paper work—28 billion checks in 1974 alone—that each year threatens to swamp the entire system.

Far more serious, in Mayer's view, is that banking's rush to expand could be setting the stage for a monumental economic disaster. Banks, he notes, have now spread their operations to include major leasing firms and finance companies. Almost any bank that can afford a brass name plate has opened branches in Europe, Asia, South America and elsewhere. All this, Mayer believes, has focused bankers' attention away from their basic task of channeling the idle money of businesses and individuals into productive uses that promise to benefit the entire economy.

The trend toward bigness made sense when it began in the mid-1960s. To accommodate the financial needs of a rapidly enlarging economy, banks had to grow—and were encouraged by Government regulators to do so. And bankers did not have to have their arms twist-

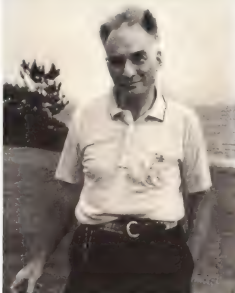
ed to take full advantage of a profitable situation. Mayer's concern is about the way banks have sought to fuel their growth by boosting income on loans. In the past, he explains, banks drew mostly on the money of their depositors or on bank investments in notes and bonds to accommodate borrowers. When their capital reserves became strained, banks simply cut back on loans.

Bloated Demand. But once bitten by the growth bug, many banks threw off the old restraints. They now compete vigorously for loan customers and meet the pumped-up demands for loans with money they themselves borrow—from each other, the public and the largely unregulated Eurodollar market. Such go-go lending policies, Mayer believes, bloated business and consumer

losses, says Mayer, are adding to the already strained resources of a growing number of institutions, not all of them small. As a result, the Federal Reserve Board and the bank regulating agencies are wary of tightening up too drastically for fear of causing more bank failures and intensifying public distrust of the entire financial system.

Mayer argues that a Government crackdown now would be far less risky than accepting the present situation. "The banking structure that is now building can collapse," he warns flatly. "The larger the regulatory apparatus permits it to grow, the more catastrophic the collapse will be." Should it occur, neither the public nor the men who supervise the nation's banks will be able to say that they have not been warned.

■ James Grant



AUTHOR MARTIN MAYER
Go-go steps toward possible disaster.

demand and contributed in no small way to the present inflation rate. Banks also damage the economy, says the author, by going to capital markets to borrow a large proportion of the money they lend. The practice weakens the Federal Reserve Board's less-than-perfect methods for regulating the nation's money supply and thus undermines Government efforts to restrain the current explosive rise in prices. In addition, by competing with other businessmen for available funds, banks themselves have helped kick up interest rates, which last year climbed to record levels.

Mayer's most worrisome charge is that because of risky lending policies, banks now carry billions of dollars of uncollectible loans on their books. These

Fiat Flukes

MIND IN THE WATERS

Assembled by JOAN MCINTYRE
240 pages. Scribners/Sierra Club.
\$14.95.

Genius in the Sperm Whale? Has the Sperm Whale ever written a book, spoken a speech? No, his great genius is declared in doing nothing at all.

—Herman Melville

What whales and their dolphin kin will not declare, this extraordinary book celebrates. It is a collection, really an orchestration, of appreciative views of the great creatures. Sober scientific articles and elegiac poems, naturalists' reports and scholars' musings, pencil drawings and underwater photographs jumble together, but all gently point to the possibility that whales are geniuses. The conclusion, of course, is unproved, yet most readers are likely to be convinced of its plausibility. Those with a mystical bent may even end up agreeing with Melville that if God ever returns to this planet, he would come as a whale.

The huge sea mammals live in an extraordinarily peaceable harmony with nature. They find food and avoid most dangers easily, have leisure, know rap-ture. Their history goes back 50 million years (v. 5 million for man) to the time the first cetaceans abandoned the land and took to the waters. Of the 87 species still extant, the biggest is the blue whale, whose tongue alone weighs as much as an elephant. Most highly developed is *Orcinus orca*, the "killer whale," which may be the only higher animal on earth that knows no fear. Then there is the humpback whale, renowned for its intricate but remarkably precise "songs," and the river dolphins that navigate far inland during floods, remembering underwater topography so well that they never

No more kid stuff

Do you teach social studies or English? Do your students find that the usual classroom magazines are "kid stuff"? Is there no challenge in the vocabulary and concept load, no excitement in the graphics?

Then consider the TIME Education Program. Your students get TIME—a magazine they can grow with—at half the usual subscription rate. You, the teacher, get monthly teaching aids and materials—designed to support and broaden your curriculum—at no extra cost

For details write

TIME Education Program
TIME Magazine
541 North Fairbanks Court
Chicago, Illinois 60611



BOOKS

get trapped by the receding waters.

While the human brain has been put to work creating tools and taking action, whales' enormous brains seem to be anatomically structured to emphasize humor, emotional self-control and abstract thought. Much of their brain is also designed to receive an almost unimaginably rich flow of perceptions. Modern technology gives a bare hint of what cetaceans might "think." Most communicate in part with a superior sort of sonar. They emit "clicks" and "pings," then read the echoes in three dimensions. "One dolphin scanning another," explains John Sutphen, a doctor at Connecticut's Lawrence Hospital, "does not just receive an echo from the other's skin but from his interior body as well."

Harpooned Brother. Careful observations of cetaceans show that they teach and discipline their young, sleep, hunt and even make love in ways that indicate a high order of social organization. In the seas, they often aid their wounded fellows: two fin whales spotted off Canada, for example, supported a harpooned brother on their flukes for five days. In aquariums, they cooperate with—and sometimes outthink—their captors. One group of dolphins being rewarded with fish ate until sated, then continued to perform while piling the excess fish on the pool bottom. When they got bored, they simply gave the fish back to the experimenters.

On the whole, cetaceans seem to like men. Indeed, ancient myths from India, Greece, Finland and the Pacific Northwest suggest that in the dim past the two animals were close. That makes man's present destruction of the sea creatures all the sadder. Every year, not only are 36,000 whales killed for food and commercial products but about 250,000 dolphins and porpoises die in tuna fishermen's nets. This book cogently and movingly urges a moratorium on the slaughter so that the species can rebuild their numbers—and so that we can perhaps learn from the marvels of the gigantic mammals. ■ Philip Herrera

Pale Horse, Pale Rider

THE PLAGUE OF THE SPANISH LADY
by RICHARD COLLIER
376 pages, Atheneum, \$10.

This recounting of the worldwide influenza epidemic of 1918-19 not only appears in time for the season's first sniffles but also in the wake of what might be called the new hypochondria. Two famous mastectomies, plus frightening books and articles about heart attacks and the cancer-causing properties of such common substances as asbestos and spray-can propellants have added to our usual anxieties. Yet as millions of people over 60 will recall, for real drenching fear nothing tops an old-fashioned plague.

Throughout the fall of 1918 and the

first months of the 1919 winter, an unidentified influenza virus killed 21 million people and affected the lives of 1 billion more, or half the world's population at that time. The bug has been credited with being more effective than the Maxim machine gun in blunting Germany's final assault on France in World War I. Practically the entire Royal Navy was kept in port for twelve days nursing more than 10,000 cases, including the Commander in Chief, His Royal Highness King George V. The flu-ridden crew of the American transport *Otranto* was too weak to abandon ship after colliding with another vessel during an Atlantic storm. It sank with a loss of 431 lives. Aboard the troop ship *Leviathan*, a young Assistant Secretary



BASEBALL PLAYER IN FLU MASK, 1918
A democratic bug.

of the Navy named Franklin Roosevelt suddenly keeled over. From an overcrowded Chicago hospital ward a deathly feverish 16-year-old who had lied about his age to become a Red Cross ambulance driver was sent home to improve his chances for recovery. His name was Walt Disney.

The flu was a highly democratic epidemic, striking across class, racial and economic lines. Yet no nation wanted to take credit for originating this leveller, which was known as the Spanish Lady because of an early publicized outbreak in May 1918 at San Sebastián. Author Collier notes, however, that two months before, 1,100 cases of flu had already been reported at Fort Riley, Kansas. "Spanish Lady" stuck, however, probably because it was more romantic than a competing U.S. term, Hog Flu.

According to an early theory, the strain may have been caused when the

What a way for a little kid to have to start the day!

Yet, it's the way a million kids in America do, just to *stay alive!* Unfortunately, the daily insulin needle is neither a cure nor a juvenile diabetic's only problem. For the record, juvenile diabetes is the *major* cause of all blindness and a *leading* cause of all death. It can attack and break down practically every vital organ or system throughout the young body. And it's a disease, spreading rapidly, without a cure.

By 1980, it's estimated one out of every five people will have it. In the meantime, the National Juvenile Diabetes Foundation is working desperately to find a cure to stop the shots. To stop the blindness. To stop the early deaths.

Please help by sending your tax deductible contributions today, to the National Juvenile Diabetes Foundation, Box 13329, Philadelphia, PA 19101.

JNF Juvenile
Diabetes
Foundation
We think a million kids
deserve a better break!



Hold your next meeting on a desert island.

The Wigwam, Arizona's Country Club Resort. An island of luxury on the desert, 15 miles from Phoenix. It's perfect for a business meeting or conference.

It has 16 meeting rooms, one seats over 500 people. It's the only resort in the Southwest with 54 holes of superlative golf (two courses by Robert Trent Jones). The tennis center has 8 courts plus riding, swimming, great food, and entertainment.

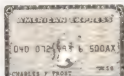
It even offers a special all-inclusive rate for groups—a comptroller's dream.

And, you can pay for it all with the American Express® Card. The Card at The Wigwam. Write for a free conference brochure.



THE WIGWAM

Litchfield Park, Arizona 85140



AMERICAN EXPRESS

© American Express Company 1971

"A must for anyone who has ever expressed even a casual interest in the game."

—Dan Jenkins, author of *Semi-Tough*

"Probably the best pro-football book since *Paper Lion*."

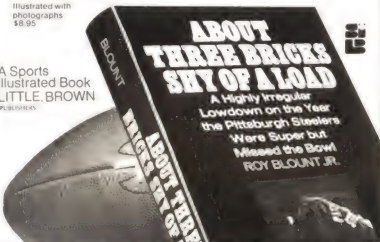
—Booktalk

"A marvelous jumble of delights. We meet manic fans, hangers-on, groupies, wives, old veterans and near-miss rookies. We get an intimate look at the pain that is an inescapable part of the game, the camaraderies of the dressing room..."

—Jonathan Yardley, *Miami Herald*

Illustrated with
photographs
\$8.95

A Sports
Illustrated Book
LITTLE, BROWN
PUBLISHERS



BOOKS

mild Hog Flu virus, which sickened hogs but not humans, combined with a relatively harmless bacillus to produce a virulent man killer. But in 1918, 25 years before the electron microscope made it possible to see viruses at all, there was no way to discourage advances from the Spanish Lady. Paranoia often took the place of ineffective remedies. There were those who thought the bug was the Kaiser's secret weapon, despite the losses his own troops suffered. In Poland, the source of infection was said to be Warsaw's Jewish ghetto. Those whose prejudices were more political called it the Bolshevik disease.

The epidemic spread as fast as ships could carry infected passengers round the world. The highest mortality occurred in India, where 12.5 million people died. Very few places remained influenza-free because of fanatically enforced quarantine regulations. Among them were the South Atlantic island of St. Helena, Napoleon's last home, and a U.S. naval training station in San Francisco Bay, where drinking fountains were sterilized hourly with blowtorches. Nearly everywhere else life for the survivors changed radically. Moviehouses, restaurants and concert halls were ordered shut. Courting became medically dangerous. A sort of mass purdah prevailed as millions learned to breathe, speak, sleep and even play baseball behind surgical masks.

It is an immense story that Richard Collier (*The City That Wouldn't Die, The Sands of Dunkirk*) attempts to tell. He has selected perhaps the only popular method possible: a compact narrative out of which the reader may pull facts and anecdotes as if from an endless Pandora's box of Kleenex. ■ R.Z. Sheppard

Generation Cracks

HOT TO TROT

by JOHN LAHR

241 pages. Knopf. \$6.95.

What graying fan of radio's *Queen for a Day* could have imagined that the concept of short-order celebrity would have gone so far? TV now spits out stars faster than a kid's Fourth of July sparkler. "Everybody wants to get into the act," as Jimmy Durante used to say. But as George Santayana used to say, occasionally there is "a lyric cry in the midst of business."

George Melish, the flashy nova of John Laehr's second novel, is not quite Santayana's last puritan, and his cries are more like yelps. He is, in fact, the butt of Laehr's ambivalent sympathy for the generation currently entering middle age—those who succeeded within the old rules only to find that the next wave of hustlers was trying to change the game entirely.

At 35, Melish is bringing up the rear of the '50s, when early marriage and career were regulations, not options. Like his father, the famous movie producer

How a major auto maker discovered where customers cluster bumper to bumper.

The automobile industry amasses more customer information than any other business in this country. But until now, even the auto companies have found it cumbersome to locate those precise geographic subsections of a common major market where sales run uncommonly high.

One major auto maker wondered if he could locate them by examining the sales patterns of 7 models under the lens of U.S. Census ZIP Code demographics. ZIP Marketing was used to measure the profitability of each of 430 ZIPs comprising the central city, suburbs and rural counties of a major ADI.

ZIP Marketing reduced sales, household income figures and media weight to a single common denominator: the residential ZIP Code area. The results were highly revealing. For example:

- 1973 car sales per 10,000 families varied from 108 in the central city to 142 in rural counties to

- 199 in the suburbs. • Two models, designed to appeal to the economy-minded, actually registered more than half their sales in the wealthiest third of the market. • ZIP Marketing proved that a proposed downtown dealership ought to be located three miles west in a far more profitable neighborhood. • Existing media schedules were delivering twice as much advertising weight per car sold in the lowest income neighborhoods as they were in the highest income neighborhoods.

Obviously, this and other ZIP Marketing information has a tremendous bearing on sales planning, dealership location and advertising emphasis. And a ZIP Marketing analysis works equally well for other industries: among them, air travel, insurance, appliances, even packaged goods.

Now, what can we do for you and your market? Ask your TIME representative for the facts on ZIP Marketing.



TIME:ZIP Marketing

Here's How You Can Sponsor A Child

Here's What You Do

- Fill out your name and address on the coupon.
- Indicate your preference of boy or girl, and country.
Or . . .
- Check the box marked "Choose any child who needs my help," allowing us to assign you a child from our emergency list.
- Enclose your first monthly check. The cost is only \$15 each month to help a child who needs you.

Here's What You Will Receive

- In about two weeks you'll receive a Personal Sponsor Folder with photograph and information on the child you sponsor and a description of the project where the child receives help.
- Later on . . . a "welcome letter" from the overseas field office.
- Progress reports on the child when you request them.
- A Christmas greeting from the child.
- The opportunity to write directly to the



child. You will be given the mailing address and detailed instructions on mail to your child's country.

- Letters from the child answering your correspondence. You receive the child's original letter and an English translation from an overseas office. (Staff workers help children unable to write.)
- And the satisfaction that comes from helping a deserving child.

Here's What Your Sponsored Child Receives

- In children's homes: supplementary food, clothing, medical care, and dedicated housemothers.
- In Family Helper Projects: school supplies and clothing, medical assistance, emergency food and shelter, and family guidance from a trained child care worker.

- Special aid depending on the country and the type of project.
- Psychological support because the child knows you care.

Sponsors are urgently needed for children in: Brazil, India, Guatemala and Indonesia.

Write today: Verent J. Mills

CHRISTIAN CHILDREN'S FUND, Inc. Box 26511, Richmond, Va. 23261

I wish to sponsor a ☐ boy ☐ girl in (Country) _____

Choose any child who needs my help. I will pay \$15 a month. I enclose first payment of \$____. Send me child's name, mailing address and picture. I cannot sponsor a child but want to give \$____.

Please send me more information.

Name _____

Address _____

City _____

State _____ Zip _____

Member of International Union for Child Welfare, Geneva. Gifts are tax deductible. Canadians: Write 1407 Yonge, Toronto, 9



TI 1910

BOOKS

Sol Melish. George has made a name for himself as the youngest director of programming in the history of ABC television. His résumé is like one of those glittery staircases in a Fred Astaire movie. As a Boy Scout, George belonged to the elite Order of the Arrow. At Yale, it was Bones and the *Daily News*. There was also a year at Oxford, where he met and married Irene Trewin, daughter of Lord and Lady Trewin. A stint at TIME-LIFE did no harm either.

In moments of doubt (which is to say most of the '60s), Melish calms himself by meditating on the contents of his wallet. There is a secret-society pin, a silver matchbook from his wedding and —not to be believed—a condom. Mel-

THOMAS H. FORD



JOHN LAHR

A closet sentimentalist.

ish is a clear case of arrested development, a closet sentimentalist carrying a cherished artifact of his hot-to-trot days at a time when everyone else seems to be in full gallop.

Everyone includes his once sedate wife Irene, who has thrown George over for a young rock-'n'-roll star. A good part of the novel seems to take place in a tree house, where George secretly watches his wife and her hairy lover do their act in what was once Melish's own bedroom. From his preadolescent perch, George reviews his life like a man flipping the dial on a TV set. It is an apt literary device considering that George is a victim of the same attitudes that he has watered down and packaged for mass prime-time consumption.

Author Laahr has already earned bouquets for *Notes on a Cowardly Lion*, an autobiography of his father, Comedian Bert Laahr, and scattered applause for his first novel, *The Autograph Hound*. *Hot to Trot* is an entertaining economy tour de force for those who prefer to travel fast and light.

■ R.Z.S.

Manhattan Midwinter: Through the Eddy

There have been times in the history of art when progress stopped—a kind of eddy, a period of confusion. Today seems just such a time with the artist, like Matthew Arnold's traveler, "wandering between two worlds, one dead, the other powerless to be born."

In Manhattan galleries at midwinter, the overall impression is of a series of dead ends being earnestly explored by many artists. They are producing hundreds of square yards of post-abstract expressionism, after Hans Hofmann, Robert Motherwell *et al.*, and seeming acres of color field after Morris Louis and Jules Olitski. There are innumerable variations on hard-edged abstraction, after Stella, and scintillating but ultimately repetitious structures of glass, light and Lucite in the dimming name of op art.

As for the minimalists and the conceptualists, they seem equally moribund. Robert Irwin's recent show, in fact, might be taken as minimalism's last testament. When one entered the gallery, there was apparently nothing in sight. It turned out that the work of art was a stretch of gauze running the length of the exhibition room but set two feet out from the real wall. It was white, and looked like a wall. The best the conceptualists could do was a show by that professional *enfant terrible*, Les Levine, that featured drawings of five dozen or so Watergate characters, along with a voice on a loudspeaker intoning "June fifth, Sam Ervin, blue-gray suit, dark blue tie, pale blue shirt, gold watch."

In this bleak landscape, there are a few interesting outcroppings. One is a kind of surrealism that owes more to

Hieronymus Bosch than to Salvador Dalí. The best examples, currently at the Aberbach Gallery, are the works of Miodrag Djuric Dado, a Yugoslav painter who works in France. His *L'Hôpital* has a jolting impact: beyond the window is the peaceful French village where Dado now lives. Inside, a demon in the shape of an owl crouches by the central crucifix, near the dancing man and his maimed and malevolent companion. A rotund dwarf grins and looks away. What does it mean? Perhaps that these phantasms exist, within any hospital's clutching walls, even when life goes on routinely on the outside.

Stop! Enough! The other area of some promise is so-called photorealism. Robert Mann, a Californian whose paintings are on view at the Staempfli Gallery, has studied vintage photographs but does not refer to them when he paints. His aim is to recapture an era and a place: rural Ontario, where he grew up. The people are "a memory—they've floated back into this situation one more time." Their slightly stylized figures produce a kind of stage-front scrim against a photographic backdrop. The results have a peculiar authority, as hard to account for as it is easy to recognize.

Downtown, Soho's Meisel Gallery has mounted a show of 60 "New Realists." Robert Bechtle's parked car is as bright and as bleak as California sunshine, and Ralph Goings' mail truck as shiny and noncommittal as a new pair of shoes. Arne Besser's *Betty* is a fascinating exercise in the illusions that realism can contrive—the model airplane in the window display behind her, while the buildings reflected in the window glass are across the street. Besser uses four or five photographs for each painting, taking what he wants from

each. He explains: "Photorealism is a bridge between two art forms."

Photorealism scarcely has the amplitude to develop into a new and encompassing style. It is more of a reaction, a blast on an aesthetic whistle that signals: "Stop! Enough!" It can be taken as a sign, among others, that the long reign of abstractionism is over and that a new generation is looking for and exploring other modes. ■ A.T. Boker



NEW REALIST ARNE BESSER'S BETTY



PHOTOREALIST ROBERT MANN'S WATERMELON PICNIC

SURREALIST MIODRAG DJURIC DADO'S L'HÔPITAL



"THE FUNKY MONKEYS" RAMBLE, ROMP & LEAP ALL OVER THE SET OF *THE WIZ*

THE THEATER

Jumping Jivernacular

THE WIZ

Music and Lyrics by CHARLIE SMALLS
Choreography by GEORGE FAISON
Costumes and Direction by
GEOFFREY HOLDER

Purists and adulators of Judy Garland may carp, and one can understand why, but this all-black musical version of *The Wizard of Oz* is a carnival of fun. It grins from the soul, sizzles with vitality, and flaunts the gaudy hues of an exploding rainbow.

The Kansas of *The Wiz* is as close to middle America as Harlem's Lenox Avenue at 125th Street. The show, with all new music and lyrics, is saucy with black urban humor. Its talk is jumping jivernacular, its walk is a big-city strut, its dances have a blowtorch frenzy, and its songs range from a warm gospel glow to the rock beat of a riveter mining asphalt.

Yet neither the sense of childlike innocence nor the wonder of revisiting a durable fable is lost. Stephanie Mills, wistful and staunch as Dorothy, sings like an angel on furlough. Her companions, the Scarecrow (Hinton Battle), the Cowardly Lion (Ted Ross) and the Tin Woodman (Tiger Haynes) are equally winning and bring complete conviction to their roles.

Costuming witches good and bad, peckish crows, a field "mice squad" and the dwarfish Munchkins, Geoffrey Holder displays a breathtaking flamboyance of design and color. This wickedly amusing show is a sight for glad eyes, and parents who take young children along should be forewarned that they may have trouble ungluing them from their seats when the final curtain falls.

■T.E.K.

Giant Step Backward

SHENANDOAH

A Musical

Seeing *Shenandoah* is like riffling through a 30-year-old scrapbook of the U.S. musical theater. Here is a Rodgers and Hammerstein type of show, though it conspicuously lacks the abundant gifts of R & H. Here are the stomping, thigh-slapping, open-air dances styled in the mode of Agnes de Mille. Here are the strong, silent heroes who conquered the land, together with their deferential but spunky helpmeets, whose chief tasks were to bear children and get the vittles on the table. It is all sentimentally endearing, and it marks one giant step backward for the American musical.

The story, what there is of it, is lifted from a 1965 movie of the same name, which starred James Stewart. The action takes place during the Civil War. Charlie Anderson (John Cullum) is a widower who periodically communes with his dead wife in bathetic speeches directed disconcertingly at the floor boards. He is also a Virginia landowner with six sons who has no intention of letting them be drafted into the Confederate forces. He argues that war violates the will of God, which suggests that he reads his Bible selectively, ignoring such passages as *Exodus 15:3*. "The Lord is a man of war."

Predictably, the sword sunders Charlie's pacifist haven. His youngest son is kidnapped by the Yankees; his eldest is murdered by the Confederates under the misconception that he is a Union soldier. Family scenes bordering on the mawkish abound, culminating in a sob-happy ending. Cullum holds the rambling show together with a

strong stage presence and a robust baritone, but his general manner is a trifle too Broadway-slick for a hornyhanded farmer. Producers invariably say of a musical like this that it will find its audience, and much of *Shenandoah* is so amiably wholesome that one wishes them luck in finding it.

■T.E.K.

The Blame Game

BLACK PICTURE SHOW

by BILL GUNN

Until recent years, no one could have imagined that rage would be peddled as theatrical entertainment. In its osmotic effect, this viciousness of attitude poisons whatever theme the playwright may have thought he had. The playgoer leaves the theater in a state of psychological dishevelment as he might a hospital room after visiting a patient who is running a dangerous fever.

In *Black Picture Show*, Playwright Bill Gunn's hero is already hospitalized, or rather, confined to a Bronx, New York City, mental home. Alexander (Dick Anthony Williams) has gone mad, but he has been a black poet, playwright and screenwriter of merit. Fragmented episodes indicate how he has bobbed for the white man's Golden Delicious apple and drowned in economic and psychic abasement. He is dying; perhaps he is already dead. Obscuration ranks high among Playwright Gunn's defects.

What is Gunn driving at? He is saying that Alexander, an artist of seemingly impeccable integrity, has sold out and been destroyed by his yen for lucre. This is twaddle. No artist has ever been corrupted or humiliated by the quest for cash unless he was a willing accomplice.


Reverse Racism. Need one add that Playwright Gunn is not at all satisfied to make this a human fallibility? He persists in what has become for some an article of faith and fallacy—that some whiteness somewhere is prostituting the black brothers for gain. Just to spell it out in the corniest imaginable terms, Playwright Gunn has Alexander's wife sue for a contract with a white homosexual film producer (Paul-David Richards), and she has to kneel on the floor to pick up the largesse he languidly strews in the form of \$1,000 bills. Meanwhile, the producer's wife (Linda Miller) sashays round the room in a cocaine-sniffing trance. Racism is abhorrent; let the same be said for reverse racism.

The cast is exemplary. In the key role of Alexander, Dick Anthony Williams strikes a plangent note of pain. The rest of the cast is incomparably finer than this derelict play deserves. Producer Joseph Papp, at whose Vivian Beaumont Theater *Black Picture Show* is being presented, demonstrates again his illusory belief in the power of drama to effect social change, and his unflinching generosity to a fledgling playwright by giving him a chance to begin, learn and try again.

■T.E.K.



Now there are two kinds of gold
you can buy in bars.

A color photograph of a firefighter with a mustache and glasses, wearing a blue t-shirt and tan pants, climbing a vertical metal pole on a fire truck. He is holding a lit cigarette in his mouth. In the background, another firefighter in a yellow helmet and blue uniform is visible. The fire truck is red with yellow accents. The text "America's Favorite Cigarette Break." is overlaid on the image.

America's Favorite Cigarette Break.

Benson & Hedges 100's.

Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health.

17 mg. "tar," 1.1 mg. nicotine,
av. per cigarette, FTC Report, Oct. '74.



Menthol or Regular